

2024 Modern Slavery Report

pursuant to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

Prepared By

JGC Constructors BC Ltd.

1. Introduction

- 1.1. This report (“**Report**”) is prepared by JGC Constructors BC Ltd. (“**JGC BC**” or “**we**” or “**our**”) and is made pursuant to Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“**Act**”).
- 1.2. This Report relates to the financial year ended December 31, 2024 (the “**Reporting Period**”).

2. Steps taken to prevent and reduce the risks of forced labour and child labour

- 2.1. In general terms, the steps we have taken during the Reporting Period to prevent and reduce the risks of forced labour and child labour in our operations and supply chains include ongoing implementation of policies and procedures that we use for specifically addressing forced labour and child labour, and for identifying and mitigating the use of forced and child labour in our activities and supply chains.
- 2.2. JGC BC maintained the right to audit at certain sites to monitor a contractors’ conformance with legislation, relevant standards related to the LNG Canada Project (as defined below) and to confirm compliance with the Project’s Health, Safety, Security and Environmental (HSSE) Plan.

3. Structure, activities and supply chains

Structure

- 3.1. JGC BC is a wholly owned subsidiary of JGC Holdings Corporation (“**JGC Holdings**”), a corporation existing under the law of Japan and conducting business in Japan. JGC Corporation (“**JGC Corp.**”), a wholly owned subsidiary of JGC Holdings and an affiliate company under the JGC group of companies, is responsible for controlling all global activities conducted by JGC group companies, including the LNG Canada Project.
- 3.2. JGC BC was incorporated and is existing under the laws of the Province of British Columbia. Its head office is located in Vancouver, British Columbia. Day-to-day operations are conducted out of an office located in Calgary, Alberta, where JGC BC is registered as an extra-provincial corporation.
- 3.3. Within the Reporting Period, JGC BC employed 80 general employees, including non-union employees from Canada and other foreign jurisdictions.

Activities

- 3.4. JGC BC operates in the oil and gas industry. Throughout the Reporting Period, its sole activity in Canada was the ongoing work of a 2018 joint venture with Fluor Canada Ltd. (“**Fluor**”) for the supply of goods and services related to the engineering, procurement and construction (“**EPC Work**”) of a liquefied natural gas (“**LNG**”) export terminal facility in Kitimat, British Columbia, Canada (the “**LNG Canada Project**” or the “**Project**”).
- 3.5. JGC BC, in a joint venture with Fluor, was awarded the EPC Work for the LNG Canada Project by LNG Canada Development Inc. (“**LNG Canada**”) – a joint venture company comprised of Shell, PETRONAS, PetroChina, Mitsubishi Corporation and KOGAS – to be the prime Engineering, Procurement and Construction Contractor to LNG Canada for completion of the Project.
- 3.6. Within the LNG Canada Project, JGC BC and Fluor split responsibilities between management and administration, which is predominantly undertaken by JGC BC, and construction and site management/maintenance, which is predominantly undertaken by Fluor.
- 3.7. As of the end of the Reporting Period, JGC BC continues to undertake the EPC Work at the LNG Canada Project.

Supply Chain

- 3.8. As of the end of the Reporting Period, most of the equipment and materials required in connection with the EPC Work on the LNG Canada Project had been procured and imported into Canada from international producers and suppliers located in China, Italy, Japan, the United States, and other countries throughout Europe and Asia. Equipment and materials that were imported from these foreign jurisdictions included specific components that were required for the LNG Canada Project facility, including generators, pumps, compressors, transformers, drums, valves, and steel structures.
- 3.9. As of the end of the Reporting Period, JGC BC was in the final stages of construction and commissioning for the LNG Canada Project.
- 3.10. Hiring for the LNG Canada Project continued to be the responsibility of both JGC BC and Fluor. JGC BC engages with contractors for construction, installation, and other related services. The majority of the contractors and other workers employed for the LNG Canada Project are Canadian. Other workers from outside Canada are seconded from JGC Corp or are hired directly into JGC BC as

expats.

3.11. Temporary foreign workers are also used for the Project. Throughout the Reporting Period, approximately 700 temporary foreign workers had been mobilized to the Project site, with approximately 400 remaining at the site at the end of the Reporting Period. Temporary foreign workers used throughout the Reporting Period were employed by JGC BC's subcontractors. In the normal course, temporary foreign workers may also be employed by JGC BC, seconded from JGC Corp., or employed by other off-site suppliers.

4. Policies and due diligence processes in relation to forced labour and child labour

4.1. JGC BC strives to foster mutual respect and support among those involved in its activities, and safety for all.

4.2. Throughout the Reporting Period, JGC BC and Fluor continued to apply a basic compliance policy for the Project, as described below at section 4.5. The policy requires "Contractors and suppliers conduct their activities in a manner that respects human rights as set out in the UN Universal Declaration of Human Rights and the core conventions of the International Labour Organization (ILO) such as: Contractors and suppliers: 1) should not use child labour, 2) should not use forced, prison or compulsory labour, 3) comply with all applicable laws and regulations on freedom of association and collective bargaining, 4) should not tolerate discrimination, harassment or retaliation and should provide a safe, secure and healthy workplace, 5) should provide wages and benefits that meet or exceed the notional legal standards and should comply with all applicable laws and regulations on working hours."

Policies

General LNG Canada Project Policies

4.3. In connection with the LNG Canada Project, certain policies and procedures remained in place during the Reporting Period, as required by applicable law, in order to help protect and promote a safe workplace for employees, including:

- **Respect in the Workplace Policy** applicable to all facilities and work activities for all of the Project's personnel under the control of the LNG Canada Project, and its contractors. This policy addresses workplace

violence, harassment, discrimination and bullying prevention, including mechanisms for reporting and investigating allegations of inappropriate conduct. It includes the Project's **Code of Conduct, Respectful Workplace Internal Reporting Process, Site Respectful Workplace & Reporting Process**, and **Respect in the Workplace, Bullying and Harassment Helpline**;

- **Health, Safety, Security and Environmental (HSSE) Plan** applicable to work activities and personnel under the control of the LNG Canada Project, and its contractors. This policy addresses all substantive matters related to the health, safety and security of the Project's personnel, as well as environmental management expectations. It includes the Project's **Health, Safety and Environmental Policy, Sustainability Policy**, and **Life Saving Rules**.

4.4. The Respect in the Workplace Policy and Health, Safety, Security and Environmental (HSSE) Plan continued to be provided to the LNG Canada Project's contractors as part of the subcontracting documents throughout the Reporting Period.

Project Directive – Ethical Business Conduct and Anti-Corruption

4.5. In connection with the EPC Work on the LNG Canada Project, throughout the Reporting Period, JGC BC continued to apply a basic Project Directive on Ethical Business Conduct and Anti-Corruption (the "**Project Directive**"). The Project Directive provides that all personnel working with or for the LNG Canada Project or in any way connected to the Project, including personnel of affiliated entities of the LNG Canada Project and all subcontractors, suppliers and vendors, are required to comply with their respective employers' business conduct, ethics and anticorruption policies, as well as the principles contained in the Project Directive (and the attachments).

4.6. The Project Directive also includes, among other things, prohibitions against corruption, bribery and kickback activities; gifts, entertainment and travel used to influence, induce or reward in an illegal manner any official act or decision in connection with the Project; political contributions and charitable donations that may be used in an attempt to, among other things, improperly influence any official act or decision of a government official; and whistleblowing mechanisms.

Business Conduct and Ethics Expectations for Suppliers and Contractors

4.7. In accordance with the Project Directive, throughout the Reporting Period, the LNG Canada Project continued to apply an ethics and compliance expectations policy, the JGC Fluor BC LNG Joint Venture's Business Conduct and Ethics Expectations for Suppliers and Contractors (the "**Business Conduct and Ethics Expectations Policy**"). The Business Conduct and Ethics Expectations Policy sets out ethics and compliance expectations as related to the LNG Canada Project for suppliers and contractors affiliated with the Project.

4.8. Section 1.0 Health, Safety, and Environmental (HSE) of the Business Conduct and Ethics Expectations Policy states the following:

Our suppliers and contractors are requested to:

- provide a safe and healthy work environment that supports accident prevention, minimizes exposure to health risks, is in compliance with applicable workers health and safety laws, and minimizes harmful impacts to the surrounding community;
- apply safe work practices (including regulatory and contract-specific requirements) to all their activities and instill safety in every aspect of their work processes and in the attitude and behaviour of all their workers.

4.9. Section 2.0 Human Rights and Employment Practices of the Business Conduct and Ethics Expectations Policy states the following:

Our suppliers and contractors are expected to:

- support and respect human rights and avoid complicity in human rights abuses, including through responsible sourcing of conflict minerals;
- perform work without the use of forced, compulsory, bonded, or indentured labor;
- refrain from using misleading or fraudulent practices during the recruitment of employees or offering of employment;
- treat all their workers with dignity, respect, and fairness; and

- conduct all their operations in a socially responsible, non-discriminatory manner and in accordance with applicable laws including those associated with equal opportunity, child labor, forced or compulsory labor, working hours, wages and benefits, freedom of association, data privacy, and harassment-free work environment.

4.10. The Business Conduct and Ethics Expectations Policy also includes prohibitions on gifts, entertainments, and business courtesies; improper payments, including zero tolerance for bribery; and whistleblowing mechanisms for reporting any business conduct and ethics concerns involving or affecting the Project.

4.11. The Business Conduct and Ethics Expectations Policy is included as part of the Project's subcontracts for contractors and as part of the purchase order conditions for suppliers of equipment and materials. The Business Conduct and Ethics Expectations Policy states that "suppliers and contractors are expected to do what is necessary to understand and comply with the expectations in the Business Conduct and Ethics Expectations Policy and, in turn, require their suppliers and subcontractors to conform as well". JGC BC "expects our suppliers and contractors to maintain and enforce policies requiring adherence to lawful business practices that encompass our expectations, as appropriate".

Shell General Business Principles and Shell Supplier Principles

4.12. The Project Directive provides that the Shell General Business Principles and Shell Supplier Principles (the "**Shell Principles**") shall be adhered to by all personnel associated with the Project, including all subcontractors, suppliers and vendors.

4.13. The Shell Principles are an attachment to the Business Conduct and Ethics Expectations Policy which, as noted, are included as part of the Project's subcontracts and purchase orders.

JGC Group Human Rights Policy

4.14. In September 2024, JGC Group implemented the JGC Group Human Rights Policy applicable to all JGC Group personnel (including employees of JGC BC). The JGC Group Human Rights Policy was established under the JGC Group Basic Policy for Human Rights and Development and sets forth the organizational

structure, human rights due diligence procedures, and other matters necessary to promote JGC Group-wide efforts to respect human rights. The JGC Group Human Rights Policy includes, among others, the following Articles:

- Performance of Human Rights Due Diligence;
- Respect for International Human Rights and Compliance with Applicable Laws and Regulations;
- Education;
- Consultation and Reporting;
- Dialogue.

4.15. The aim of the JGC Group Human Rights Policy is to respect the human rights of all people impacted by the business activities of JGC Holdings and its affiliated group companies (including JGC BC), based on the idea that respect for human rights is the foundation for the business activities of the JGC Group.

Due Diligence

Screening Processes

4.16. Respecting the dignity and human rights of employees is important to us.

4.17. All employment and hiring practices for the LNG Canada Project comply with applicable laws related to labour, employment and human rights. As noted at section 3.11, temporary foreign workers were used for the Project. The temporary foreign worker program includes an onboarding process. All staff working on the LNG Canada Project, including temporary foreign workers, are of legal working age and this is confirmed by JGC BC at the time of onboarding.

Health, Safety, Security and Environmental Plan Audits

4.18. As part of the Health, Safety, Security and Environmental (“**HSSE**”) Plan (“**HSSE Plan**”), throughout the Reporting Period, HSSE audits and inspections of a contractors’ HSSE program and its execution continued to be able to be performed as part of the LNG Canada Project. Inspections and audits can include, but are not limited to:

- Daily and Weekly HSSE Inspections;

- Management walkabouts, designed to verify a site’s implementations of key HSSE initiatives and other HSSE execution processes;
- Annual site HSSE self-assessments, designed to verify compliance with the Project’s HSSE Management System, regional initiatives and the HSSE Plan;
- Safe work observations;
- Targeted audits;
- Corporate and Life Critical audits, and cold eye reviews, used to evaluate performance and examine Life Critical areas;
- Joint audits with LNG Canada, JGC BC and Fluor as required;
- Third party HSSE inspections, where inspections may be completed by external parties such as regulatory bodies; and
- Management reviews.

4.19. Under the HSSE Plan, following a contract award, an inspection and internal auditing schedule may be developed and implemented with contractors. Contractors’ implementation of the HSSE Plan may be reviewed and inspected within audits. Where gaps are identified, these are seen as opportunities for improvement and remediation actions will be implemented.

4.20. For major non-conformities identified – for example, the use of any forced labour or child labour – the respective contractors are required to stop work on the related activity, immediately investigate causes and identify corrective actions, which must be submitted for review and comment. Contractors are required to co-operate throughout the auditing process, and are responsible for implementing any recommendations in a timely manner.

4.21. Within the Reporting Period, an HSSE Critical Life Audit (“**Audit**”) was completed at the Project site. The Audit results were predominantly that the Project site “Meets Expectations”, with two minor “Advisory” matters noted respecting safety at the construction site with regard to: (i) work at height; and (ii) cranes and rigging. There were no concerns raised in the Audit respecting child or forced labour concerns.

4.22. An “Advisory” in the context of the Audit indicates that the intended requirements and/or objectives are being met, the deficiencies are minor and there are not more than a few deficiencies noted. As a result of the Audit, JGC BC was advised to increase awareness and caution at the Project site as related to the advisories raised.

Application of Due Diligence Procedures & Additional Due Diligence Mechanisms

4.23. Due diligence processes to specifically confirm application of the Project Directive, Business Conduct and Ethics Expectations Policy, Shell Principles and HSSE Plan has not been formally implemented. Any due diligence processes that may be completed will specifically confirm the application of the applicable Project Directive, Business Conduct and Ethics Expectations Policy and Shell Principles. Due diligence may also be performed under the HSSE Plan auditing procedures although this may not be necessary at all locations where Project work was or is being carried out.

4.24. Through the LNG Canada Project, there is also a grievance mechanism in place by way of a dedicated email and telephone line to address complaints in the workplace. JGC BC personnel at the Project site are also able to raise concerns via this dedicated email and telephone line. This email and telephone line are monitored by the Project's mental health coordinator. Complaints are investigated and addressed by either Human Resources or Labour Relations, as applicable.

5. Risks of forced labour and child labour in our business operations and supply chains

Forced labour and child labour risks in our business operations

5.1. Given that the business operations for the Project are conducted in Canada, and all of JGC BC's employees are located in Canada, we consider the risk of forced labour and child labour occurring within our business operations to be relatively low.

Forced labour and child labour risks in our supply chains

5.2. JGC BC recognizes that we have a global supply chain, and acknowledge that no sectors or industries involved in the production or importation of goods are assumed to be entirely free of child labour and forced labour risks. We also recognize that sourcing goods from suppliers located in certain regions, including China, may carry a higher risk of forced labour or child labour, and that industries involved in construction or manufacturing may also be linked with higher risks. Higher risks of forced labour and child labour may also exist with respect to indirect suppliers, including those located in higher-risk jurisdictions and/or servicing higher-risk industries.

6. Remediation measures

6.1. Within the Reporting Period, JGC BC did not identify any specific incidences of forced labour or child labour in the activities and supply chains for the LNG Canada

Project. As such, there is nothing to report with respect to remediating for specific instances of child or forced labour at this time.

7. Remediation of loss of income

7.1. There is nothing to report with respect to remediating any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in JGC BC's activities and supply chains, as no specific measures are necessary at this time.

8. Employee training

8.1. Upon onboarding to the LNG Canada Project, all employees are provided business compliance training. This includes training on the JGC Group Code of Business Conduct. The JGC Group Code of Business Conduct describes various compliance models including: Our Pride; Diversity; Secure Work Environment and Disciplined Behavior; Bribery and Other Anti-Social Transactions; Fair Competition and International Trade; Corporate Assets and Information; and Distinction Between Corporate and Private Affairs.

8.2. The JGC Group Code of Business Conduct specifically addresses forced labour and child labour as follows:

Diversity 2 – 1 Respect for Human Rights – We do not engage in or condone human rights violations such as child or forced labor.

Secure Work Environment and Disciplined Behaviour 3 – 1 Motivating Work Environment – We comply with the applicable labor laws and regulations that govern employment, personnel affairs, working conditions, wages, etc. in each country and region where we conduct business.

Fair Competition and International Trade 5 – 2 Supply Chain Management – We select suppliers carefully and fairly. In addition to their quality, reliability, schedule and prices as well as their management stability and technological strengths, we also consider their fulfillment of social responsibility, including their respect for human rights, elimination of unfair discrimination in employment, elimination of child labor and forced labor, environmental protection activities and anti-bribery program.

8.3. Except for the training completed at onboarding, JGC BC does not otherwise conduct annual training for employees on forced labour or child labour.

8.4. The HSSE Plan also requires contractors to check that their personnel possess relevant and current qualifications, training and competencies for the work they are required to perform prior to being mobilized to a site, and for contractors to establish a process to verify same. Contractors must also maintain a training register of personnel to record completed training courses, dates of attendance and renewal dates.

9. Assessing effectiveness

9.1. JGC BC did not take any actions in the Reporting Period to assess our effectiveness in preventing and reducing risks of forced labour and child labour in our activities and supply chains.

9.2. As noted, JGC BC maintained audit rights through the Reporting Period by way of the LNG Canada Project HSSE Plan. As noted, an HSSE Critical Life Audit was completed during the Reporting Period, which resulted in increased awareness and caution at the Project site. Throughout the Reporting Period, JGC BC was not made aware of any concerns by contractors related to forced labour and child labour practices that required remediation action in accordance with the HSSE Plan.

10. Approval and Attestation

This Report was approved by the board of directors of JGC BC for the financial year ended December 31, 2024, pursuant to paragraph 11(4)(a) of the Act.

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 entity 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.

I make the above attestation in my capacity as a director of JGC BC, for and on behalf of the board of JGC BC.

Per: _____

Full Name: Nobuyuki Sakae

Title: Director

Date: May 8th, 2025

I have authority to bind JGC BC.