



2025 Annual Report Concerning Forced Labour in Canadian Supply Chains

Prepared pursuant to Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act")

1. Introduction

LifeLabs has taken proactive steps to address the critical issues of forced and child labor within its supply chain. Recognizing the universal challenge posed by these unethical practices, since 2023 LifeLabs has conducted thorough annual audits of its vendors and contractors through a series of vendor questionnaires. These questionnaires were part of a comprehensive strategy to enhance sustainable procurement policies and training programs. By doing so, LifeLabs aims to ensure that its supply chain adheres to the highest standards of social and environmental responsibility.

The company's efforts align with the requirements of the Act, which mandates transparency and accountability in supply chain management. LifeLabs' annual report on this matter serves as a testament to its commitment to ethical business practices and the betterment of industry standards.

This is a joint report submitted by **LifeLabs LP** and **LifeLabs BC LP** for the financial year ending **December 31, 2024**. This is the second report prepared pursuant to the Act and can be found on the LifeLabs website.

2. Steps Taken in 2024 to Reduce Forced Labour Risk

LifeLabs has demonstrated a commitment to addressing Environmental, Social, and Governance (ESG) risks by actively engaging with their vendors to ensure responsible practices. Our approach includes a comprehensive Sustainable Procurement Policy that emphasizes proactive risk assessment, continuous improvement, and the integration of environmentally preferred practices. Furthermore, LifeLabs' annual reporting, guided by the Global Reporting Initiative (GRI) standards, reflects their dedication to transparency and accountability in ESG factors. This level of scrutiny and engagement with their supply chain is indicative of LifeLabs' efforts to foster a sustainable and ethically responsible business model. By asking ESG-related questions across various platforms, LifeLabs not only adheres to regulatory requirements but also aligns with broader societal expectations for corporate responsibility. Our actions serve as an example for other organizations to follow in the pursuit of a healthier environment and a more equitable society.

LifeLabs has expanded on the following steps initially taken in 2023:

1. RFP Questionnaire and Vendor Strategic Business Review Including ESG Component

LifeLabs has demonstrated a strong commitment to corporate responsibility and ethical business practices by incorporating health, safety, environmental, and sustainability questions into their Request for Proposal (RFP) questionnaire and has done so for over six years.

This comprehensive questionnaire, consisting of 89 detailed questions, is a mandatory step for all potential and returning vendors seeking to engage in new projects or submit bids with LifeLabs. Such thorough due diligence ensures that vendors align with LifeLabs' high standards and values, fostering a responsible and sustainable supply chain.

In 2024, LifeLabs integrated an emphasis on ESG factors into each of our Strategic Business Reviews with vendors. During these reviews, vendors are requested to detail their ESG initiatives and provide comprehensive responses to LifeLabs' Sustainable Procurement Questionnaire, with a particular focus on addressing issues such as forced labour.

RFP Questions		Pick and choose which ones to include depending on the RFP (service vs. instrument)	
C = Critical Requirement, D = Desirable, I = Information Needed			
Organizational H&S and Training			
1.00	Is your organization compliant to Health & Safety legislations?	I	
2.00	Is your organization ISO 45001 certified?	D	
3.00	Is health and safety training provided to <u>LifeLabs</u> employees by supplier?	D	
4.00	How does your organization support a safe work environment for your employees?	I	
5.00	The supplier shall also disclose any action or resolution taken to rectify these problems	I	
6.00	The supplier shall disclose any recalls, device alerts, hazard notifications or technical bulletins	C	
7.00	Have you performed a safety hazard risk assessment on this instrument? If so, please provide a copy	D	
Physical Instrument Design & Operation			
8.00	Please indicate recommended Personal Protective Equipment (PPE) for regular operation of instrument	D	
9.00	Does instrument have any sharps, pinch or poke hazards (<u>ie.</u> probes, piercers, and/or robotic <u>arms</u>) Please specify how many and where they are located	I	
10.00	Are the sharp, pinch, or poke hazards guarded <u>at all times</u> ? If not, identify how many hazards are unguarded and where	I	
	Does instrument present any risk of access to internal compartments when	I	
Social and Governance			
	Does your organization use any forced <u>labour</u> or child <u>labour</u> as described as: forced <u>labour</u> means <u>labour</u> or service provided or offered to be provided by a person under circumstances <u>that</u>		
85.00	(a) 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 <u>labour</u> or service; or		
	(b) constitute forced or compulsory <u>labour</u> as defined in article 2 of the Forced <u>Labour</u> Convention, 1930, adopted in Geneva on June 28, 1930.		I
86.00	Do any organizations in your supply chain use <u>the aforementioned</u> , or if not known, is there and risk of the aforementioned in your supply chain?		I
87.00	Does your organization have a Sustainable Procurement Policy?		I
88.00	Does your organization train its employees on forced <u>labour</u> or the broader scope of ethics?		I
89.00	How your organization can validate the above information (auditing or equivalent)		I

Picture 1: Snapshot of RFP Questionnaire inquiries

2. Sustainable Procurement Questionnaire

In recognizing the fact that not all current vendors have engaged in the RFP process in the past 5 years, LifeLabs' drafted a comprehensive Sustainable Procurement Questionnaire in 2023 and released it to all active vendors in January 2024. This mandatory survey addressed critical areas on forced and child labor, environmental sustainability, ethics, greenhouse gas emissions, health and safety, business continuity, and privacy and information security. The survey included a requirement to provide detailed explanations when responses did not meet LifeLabs standards or regulatory requirements and recommendations, which ensures accountability and transparency of our vendors.

Throughout the remainder of 2024, LifeLabs actively engaged with unresponsive vendors, providing them with multiple opportunities to respond. This effort will continue indefinitely until a 100% response rate is achieved. Additionally, LifeLabs reassessed its active vendor list and numbers, distributing the survey to all new vendors added in 2024. In 2024, LifeLabs received 601 responses to the survey, and an additional 72 responses have been received thus far in 2025. With an updated active vendor count of 3,299, this equates to a completion rate of 20%. Furthermore, 558 vendors have partially completed the surveys, submitting information regarding forced labor and ethics, representing an additional 17%.

The pursuit of a 100% completion rate remains a priority, reflecting LifeLabs' commitment to corporate social responsibility and sustainable development. However, this ambitious goal is challenging due to some vendors' resistance to responding or lack of knowledge on the subject. It should be noted that LifeLabs did not reengage all vendors who had previously responded. LifeLabs

will assess the response rate later in 2025 and determine the frequency of issuing the survey to organizations that have already answered. Regarding LifeLabs' international vendors, 14 out of 21 have responded to the Sustainability Survey to date, achieving a response rate of 67%

The integration of this survey into the vendor setup process solidifies its ongoing importance in LifeLabs' operational framework, paving the way for continuous improvement and adherence to ethical practices in the supply chain on a continual basis.

The image displays a four-page snapshot of the LifeLabs Sustainability Procurement Survey. The first page is the introductory page, titled 'LifeLabs Sustainability Procurement Survey', which includes a welcome message and instructions for vendors. The second page is the 'General Questions' section, containing questions about the vendor's location, description of services, and whether they are currently providing services to LifeLabs. The third page is the 'ESD (Environmental, Social and Governance)' section, which includes questions about environmental metrics, forced labor, and business continuity. The fourth page is the 'Business Continuity' section, which includes questions about business continuity plans and disaster recovery. The survey is designed to assess vendors' sustainability practices and ensure compliance with LifeLabs' ethical standards.

Picture 2: Snapshot of Sustainable Procurement Questionnaire

LifeLabs incorporated the above into an existing standard operating procedure (SOP): EHS Risk Assessment for Vendors, Equipment, and Analyzers. By integrating mandatory questionnaires and requirements into the above-mentioned SOP, we have established a more robust framework for vendor engagement. This evolution of the SOP, particularly since 2024, underscores the importance of thorough vetting processes and the need for transparency in vendor interactions. The inclusion of detailed questions, the timing of inquiries, and the assignment of review responsibilities are critical components that contribute to the overall integrity of LifeLabs' operations. Furthermore, the comprehensive training provided to multiple departments signifies an organization-wide commitment to these enhanced procedures, ensuring that all relevant personnel are informed and aligned with the updated protocols.

“to make diagnostic insights accessible so that our customers are empowered to make choices to live their best lives.

LifeLabs imports into Canada goods produced outside of Canada. Our supply chain is **99% Canadian**, and less than **1% percent American based**. Some of our vendors may have affiliations or other offices internationally, however the entities LifeLabs deals with are based out of Canada or USA. As a service provider, LifeLabs does not manufacture or sell goods, but rather provides a service within Canada. Our supply chain is used to purchase goods to facilitate diagnostic testing and all associated tasks, and include all equipment and materials needed in our processes.

4. Policies and Due Diligence Processes

LifeLabs' Environment and Sustainability team aligned with the intentions of the *Responsible Business Conduct* (RBC) when revising the SOP: EHS Risk Assessment for Vendors, Equipment, and Analyzers, as well as for the development and process of both the RFP Questionnaire and the Sustainable Procurement Questionnaire.

LifeLabs demonstrates a commitment to sustainability and ethical practices by engaging with vendors on social and environmental issues. The approach is both informative and non-disruptive, prioritizing education and awareness in the supply chain. By providing resources and guidance only when necessary, LifeLabs ensures that vendors are supported in aligning with relevant causes and regulations, fostering a collaborative and progressive business environment.

LifeLabs Environment and Sustainability team's diligent review process has not revealed any instances of forced or child labor to date.

LifeLabs' commitment to environmental sustainability is evident in our rigorous tracking of vendor responses and the integration of the Sustainable Procurement Questionnaire for all new vendors. This proactive approach ensures that environmental standards are upheld and that any potential issues are addressed through educational engagement with vendors. The absence of red flags related to forced labor is a positive indicator, while the ongoing communication efforts reflect a dedication to continuous improvement and responsible environmental practices.

The Act mandates Canadian businesses to report annually on measures taken to prevent forced and child labour in their supply chains. The reports, which are required to be public, will detail the percentages of identified impacts and remediation efforts without disclosing company names. This report aims to enhance transparency and accountability in business practices, ensuring that companies are actively working to eradicate exploitative labour practices from their operations.

5. Forced Labour and Child Labour Risks

LifeLabs has implemented a Sustainable Procurement Questionnaire for all active vendors to address the risk of forced or child labor in the supply chain. This initiative included creating the (SOP): EHS Risk Assessment for Vendors, Equipment, and Analyzers to ensure accountability. The company will conduct internal audits through the LifeLabs Environment & Sustainability team, reviewing policies and training

information provided by vendors. Importantly, all vendor responses will be directly linked to the respective vendor, ensuring transparency. Additionally, vendors are being queried on their employee training regarding forced labor and their overall ethical stance, including procedures and training. This approach aims to foster greater accountability and ethical practices within the supply chain.

Maintaining a predominantly Canadian supply chain minimizes risk exposure, but it's recognized that risk cannot be entirely eradicated. Hence, Environmental, Social, and Governance inquiries via our questionnaire processes are extended to all suppliers, regardless of their origin. Engagement with non-Canadian suppliers is ongoing, with a quarter having responded to the Sustainable Procurement Questionnaire. Efforts are being made to reach out to the remaining companies to ensure comprehensive participation. This approach reflects a commitment to thorough risk management and responsible corporate practices.

6. Remediation Measures

It's commendable that LifeLabs' supply chain has shown no evidence of forced or child labor. However, the identified lack of awareness and training among vendor employees is a critical area for improvement. By enhancing standard operating procedures, asking the right questions, and fostering open communication between teams, LifeLabs can significantly improve awareness. This proactive approach is likely to lead to better training programs for vendor employees, ensuring ethical practices and compliance throughout the supply chain.

7. Remediation of Loss of Income

None of LifeLabs' current vendors have responded acknowledging existence of forced labour, and as a result LifeLabs has not currently taken any measures to remediate any loss of income to the most vulnerable families. Addressing forced labor is a critical and complex issue that requires a multifaceted approach. It involves not only acknowledging its existence but also implementing effective measures to prevent and remediate it.

LifeLabs regularly participates in charitable donation matching programs, fundraisers, and other social causes, and recognizes the broader impact on individuals and families who may lose income as a result of these necessary interventions and is committed to explore ways to support them through the transition should this arise in the future.

8. Training

Employees received training on forced labour and child labour through the distribution and publication of the (SOP): EHS Risk Assessment for Vendors, Equipment, and Analyzers which included the following LifeLabs' departments:

- Environment, Health, Safety, and Sustainability
- Procurement and Strategic Sourcing
- Operational Excellence
- Laboratory Operations

- Quality and Regulatory Affairs

The training highlights the key portions, and key definitions such as *forced labour* and *child labour*, as described in the Act.

LifeLabs has received numerous inquiries regarding the purpose of the survey and the specifics of the Act. In response, LifeLabs has taken the initiative to educate vendors on the significance of understanding forced labor and the intricacies of company supply chains.

9. Assessing Effectiveness

The internal audit of vendor responses by the Environment and Sustainability team reflects a proactive approach to understanding and addressing social issues within the supply chain. By selectively reviewing policies and responses, particularly where there is ambiguity in the comprehension of forced and child labor, the team is able to pinpoint areas needing clarification or further education. The trust placed in vendors is significant, yet it is balanced with a methodical inquiry into ethics, employee training, and sustainability practices. This strategy not only fosters trust but also encourages a deeper awareness and responsibility towards ethical practices among vendors.

Among the respondents to our inquiries, 72% indicated that they trust their vendors. Additionally, 3% utilize external software companies to audit vendors for forced or child labor, 14% employ external auditing services, and 18% reported that they are unable to validate their vendors.

10. Approval and Attestation

This report has been approved Board of LifeLabs GP ULC and the CEO is authorized and directed to sign on behalf of LifeLabs LP and LifeLabs BC LP.

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 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 year listed above.

Per:



Name: Charles Brown
Title: President and CEO
Date: May 31, 2025

I have the authority to bind LifeLabs LP and LifeLabs BC LP