



Emerson Impact Partner

Lakeside Process Controls Ltd.

Submission to

The Minister of Public Safety

**2024 Annual Report under the Fighting
Against Forced Labour and Child Labour in
Supply Chains Act**

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A. Introduction

Lakeside is pleased to present its first annual report under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*. This report outlines the work done by Lakeside Process Controls to ensure that its supply chains are free from forced labour and child labour.

The awareness and collaborative relationships built during this first year of the reporting exercise will provide the foundations necessary to enhance the effectiveness of Lakeside in preventing forced labour and child labour in supply chains in future years. This report demonstrates that there are opportunities for continuous improvement.

Any questions or comments regarding this report can be directed to:

Corporate Compliance Department

Lakeside Process Controls

2475 Hogan Drive Mississauga,

ON L5N 0E9

1. Purpose

This report has been put together as a response to the reporting obligations under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act (Supply Chains Act)*.

Reporting under the Supply Chains Act is an annual exercise that requires certain entities whose activities include producing, purchasing, or distributing goods in Canada or elsewhere to publish a report on or before May 31 of each year.

The purpose of the legislation is to contribute to the implementation of Canada's international commitment to fight against forced labour and child labour through the imposition of reporting obligations on:

- Government institutions producing, purchasing, or distributing goods in Canada or elsewhere; and
- Entities producing goods in Canada or elsewhere or in importing goods produced outside Canada.

Lakeside is subject to reporting requirements as per section 9 of the Supply Chains Act and therefore must report on steps taken during its previous financial year to prevent and reduce the risk that forced labour or child labour was used in its supply chains.

2. Scope

The 2024 report covers the steps Lakeside has taken during the financial year beginning on October 1, 2022, and ending on September 30, 2023. The report details the steps that were taken to prevent and reduce the risk that forced labour or child labour was used at any step of the production, selling and distribution of goods.

Given that the Supply Chains Act came into force on January 1, 2024, Lakeside's ability to collect detailed information on risks of forced labour and child labour in supply chains for goods sold and distributed during the reporting period, as well as on measures to address those risks, was limited. The information presented in this report is not comprehensive but is intended to provide a high-level overview of the measures taken by Lakeside with the intention of providing more detailed information in future reports.

3. Authorities and Application

Greg Houston is President and Chief Executive Officer of Lakeside and is responsible for the implementation of the reporting requirements outlined in the Supply Chains Act.

Lakeside is a market leader in the Process Automation industry and a member of the Emerson Impact Partner Network for Central Canada. Lakeside is the single point of contact for leveraging Emerson's integrated solutions, products, and expertise in Ontario (excluding the Ottawa Valley), Manitoba, and the Kivalliq region of Nunavut. Being an Impact Partner for Emerson, majority of our business is related to Emerson, and Emerson is committed to ethical supply chains. Detailed information can be found here [Governance and Accountability at Emerson](#)

B. Annual Report

1. Structure, Activity and Supply Chains

Lakeside is a Canadian employee-owned company that has been providing innovative automation solutions since 1952. Over 70 years in business, Lakeside has been providing complete automation solutions to a wide range of industries including Chemical, Data Centre and HVAC Building Automation, Energy and Combustion, Food and Beverage, Hydrogen, Life Sciences, Metals and Mining, Oil and Gas, Power Generation, Pulp and Paper, Refining and Upgrading, Water and Wastewater.

During the reporting period of October 2022 to September 2023, Lakeside's purchase spend was in its majority with Emerson suppliers, making Emerson our main supplier.

Emerson is committed to work with ethical supply chains as seen in their Annual report [Emerson 2023 Sustainability Report](#). Emerson's values center on the fair, ethical and responsible treatment of people and natural resources. Emerson has documented the expectations of their suppliers in their [Supplier Code of Conduct](#).

Additionally, Yaskawa, one of Lakeside's non-Emerson suppliers has a published Human Rights Policy and Due Diligence process which can be found here [Human rights due diligence](#).

For non-Emerson suppliers, on a going-forward basis, Lakeside is working towards getting its suppliers to provide a declaration to the effect that identifies the risks involved in the business and supply chains with respect to child labour and forced labour and the measures to mitigate those risks, if any.

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

We have engaged with various stakeholders including suppliers and customers to ensure a comprehensive approach to this issue.

Lakeside has policies, procedures, and due diligence checklists in place to govern its operations. Management intends to roll out the changes brought about by the Supply Chains Act in the following sequence:

- a. Identify the risks
- b. Plan to modify existing policies or create new policies as required
- c. Communicate the same with stakeholders
- d. Train employees with necessary skills to effectively mitigate the risks

3. Policies and due diligence processes

Lakeside's Management is strategically working towards embedding ethical procurement measures into its policies and procedures. Our certified ISO 9001:2015 system helps to shed light on identifying and assessing adverse impacts in operations, supply chains and business

relationships. Existing due diligence measures will focus on scanning areas to identify, mitigate, and reduce risks within our supply chains, demonstrating our commitment to ethical business practices.

4. Forced labour and child labour risk

As part of the reporting for fiscal 2022-23, **Lakeside has not identified any risks** with respect to forced labour and child labour. However, Management is committed to perform more effective risk assessments to evaluate our supply chain.

5. Remediation of forced labor and child labour

No risks have been identified for the reporting period, however, for the future Lakeside will put together a plan to remedy risks of forced labour and child labour if identified.

6. Remediation of loss of income

There was no risk of child labour and forced labour for the reporting periods and thus no loss of income. For the future, Management is putting together a plan for any remediation due to loss of income resulting from forced labour or child labour risks.

7. Training

Lakeside has always believed in providing excellent quality training to all its employees and stakeholders. For the purpose of the Supply Chain Act, Lakeside has taken proactive measures to identify a training module which covers the basics of supply chains and the ethical procurement of materials. This training will be mandatory for all existing employees; new employees will also be required to complete this training within a 3-month time frame. The training consists of the below modules:

Introduction to Supply Chains

1. Common Ethical Supply Chain Challenges
2. The Impact of Unethical Supply Chains
3. Ethical Supply Chain Solutions
4. Summary
5. Assessment

This will help all Lakers to recognise common ethical supply-chain challenges that businesses face, including supply chain complexities, costs and market pressure. It will enable them to analyse the impact of unethical supply-chain practices, including reputational damage and

environmental impacts. Employees will be able to propose practical solutions to address ethical supply-chain challenges, such as promoting transparency, fairness, and sustainability.

6. Assessing Effectiveness

Fiscal 2022-2023 is Lakeside's first reporting year under the Act. Based on the plans for the current period, these will be reviewed during the next reporting period. Being a part of the Emerson Impact Partner Network, Lakeside holds very high standards in conducting business and thus will assess for effectiveness and best practices to include in its structure.

7. Attestation

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:

Greg Houston

Full Name

President

Title

25-June-2024

Date

Whereas I have the authority to bind
Lakeside Process Controls Ltd.:



Signature