



2558 CEDAR CREEK ROAD
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Primemax Energy's 2024 Annual Report on Fighting Against Forced Labour and Child Labour in Supply Chains

Reporting entity's legal name: Primemax Energy

Financial reporting year: July 1, 2022 to June 30, 2023

Identification of a revised report: N/A

Business number(s): 871805801RC0001

Identification of a joint report: Yes

Ayrline Holdings 870169109 RC0001

Ayline Leasing 133703983 RT0001

Identification of reporting obligations in other jurisdictions: N/A

Entity categorization according to the Act: Entity

Canadian business presence

Has place of business in Canada

Does Business in Canada

Has Assets in Canada

Meets size- related thresholds

Has at least \$20 million in assets

Has generated at least \$40 million in revenue

Sector/industry: Utilities, Transportation and warehousing

Location: Ayr, Ontario, Canada

Entity Structure: Corporation



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About Primemax

Primemax Energy is an industry-leading wholesale/retail propane distributor including; alternative fuels, industrial gases, bulk liquids, chemicals, liquid food grade, transportation, and services provider. We are highly respected in the industrial, commercial, residential, and agricultural markets in North America.

Our team has been providing safe and reliable, turn-key distribution services to our customers since 1992. We are a full-service provider offering a range of services including; logistics, delivery, tank rental installations, system maintenance, inspections, and more.

Our Story

Primemax Energy was founded in 1992 by James Taylor to service the propane needs of his neighbours and the local community of Ayr. We are proud to continue his legacy and operate our family-owned business in the Town of Ayr.

Since our founding, Primemax Energy has grown to offer a full range of propane distribution services and now operates a fleet of over 50 trucks across Ontario. Our growth is rooted in our core values of safety, competitive pricing, operational excellence, and exceptional customer service, which set us apart from our competitors in the markets we serve.

Giving Back to our Community

At Primemax Energy, we make it a priority to give back to the community where we work, live and play. Our company supports a number of charitable organizations and sports teams in the Ayr and North Dumfries region, including:

- Ayr Charity BBQ
- New Hamburg Mennonite Relief Sale
- Ayr Minor Hockey
- Ayr Minor Soccer Club
- Cambridge Memorial Hospital Foundation
- Guelph Minor Hockey Association
- Samantha Walter (Team Canada 2020, BMX racer)
- North Dumfries Canada Day Fireworks
- And more

Our Health & Safety Programs

At Primemax Energy, we believe that it is important to prioritize the health and safety of our team, our customers, the public, and the environment.

Our team is fully-trained in relevant safety procedures and holds all required licenses for safe fuel distribution. We conduct regular inspections to ensure that our equipment and facilities are always well-maintained and in proper working condition.

In addition to our internal health and safety procedures, we are also active members of Responsible Distribution Canada®.

Responsible Distribution Canada®

Responsible Distribution Canada® is a non-profit trade association for the distribution sector of the Canadian chemical industry. RDC's members adhere to a management program known as Responsible Distribution®, which ensures a continual reduction of incidents that may result in or threaten injury to people or damage to the environment.

At Primemax Energy, we became involved with RDC in order to prioritize health and safety in the workplace and the community. Since then, we have earned our third-party RD verification to become an RD member.

We are committed to taking every precaution to ensure that our products and services do not present a risk to our employees, our customers, the public, or the environment.

Supply Chain Policy

1. Policy Statement

Primemax Energy Inc. is committed to ensuring that all aspects of our business and supply chains are free from forced labour and child labour. We uphold the principles of human rights and are dedicated to complying with the Canadian Labour Code and international labour standards. This policy outlines our commitment to preventing and addressing forced labour and child labour in our supply chains.

2. Purpose

The purpose of this policy is to:

- Define Primemax Energy Inc.'s stance against forced labour and child labour.
- Outline the procedures for identifying, preventing, and addressing instances of forced labour and child labour within our supply chains.
- Ensure compliance with the Canadian Labour Code and international labour laws.

3. Scope

This policy applies to all employees, suppliers, contractors, and business partners of Primemax Energy Inc. It covers all activities related to the sourcing, manufacturing, and delivery of products and services.

4. Definitions

- **Forced Labour:** All work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered themselves voluntarily.
- **Child Labour:** Work that deprives children of their childhood, potential, and dignity, and that is harmful to physical and mental development. Specifically, it refers to work that:
 - Is mentally, physically, socially, or morally dangerous and harmful to children.
 - Interferes with their schooling.

5. Policy Requirements

5.1. Supplier Code of Conduct

Primemax Energy Inc. will implement a Supplier Code of Conduct which includes strict prohibitions against forced labour and child labour. All suppliers and contractors must agree to adhere to these standards as a condition of doing business with Primemax Energy Inc.

5.2. Due Diligence

- **Risk Assessment:** Conduct regular risk assessments to identify and evaluate risks of forced labour and child labour in our supply chains.
- **Supplier Audits:** Perform periodic audits of suppliers and subcontractors to ensure compliance with the Supplier Code of Conduct.
- **Employee Training:** Provide training to employees and management on identifying and addressing forced labour and child labour.

5.3. Remediation

In the event that forced labour or child labour is identified, Primemax Energy Inc. will take immediate steps to:

- Remediate the situation in a manner that prioritizes the best interests of the affected individuals.
- Collaborate with relevant stakeholders, including local authorities and non-governmental organizations, to address and resolve the issue.

5.4. Reporting Mechanism

Employees and stakeholders can report concerns about forced labour and child labour to:

- **Email:** A dedicated email address ethics@primemaxenergy.com for reporting concerns.

6. Responsibilities

- **Management:** Ensure compliance with this policy, oversee the implementation of due diligence processes, and take corrective actions when necessary.
- **Employees:** Adhere to this policy and report any concerns related to forced labour or child labour.
- **Suppliers:** Comply with the Supplier Code of Conduct and cooperate with audits and investigations.

7. Monitoring and Review

Primemax Energy Inc. will regularly review and update this policy to ensure its effectiveness and alignment with legal and regulatory requirements. An annual review will be conducted, and updates will be communicated to all relevant parties.

8. Compliance

Failure to comply with this policy may result in disciplinary action, up to and including termination of employment or business relationships. Legal actions may also be pursued as necessary.

9. References

- Canadian Labour Code
- International Labour Organization (ILO) Conventions
- United Nations Guiding Principles on Business and Human Rights

10. Approval

This policy has been approved by the senior management of Primemax Energy Inc. and is effective as of May 31, 2024.

Supply Chain Risks

Primemax assessed the parts of its business and supply chain by using the [“List of Goods Produced by Child Labour or Forced Labour”](#) and the [Canadian Collaboration for Sustainable Procurement](#).

Primemax has conducted an assessment to identify categories and sub-categories in our section that are at high risk of high risk of forced and child labour.

High Risk Categories	Sub-categories
Electronics	Computer, laptops, cellphones, TV’s, printers
Apparel	Uniforms, Promotional Swag

Safety Gear	Work boots, hard hats, Safety glasses, face shields, gloves, Hi-Vis Vests
Promotional Products	Mugs, Pens, Golf Balls, Fly Swatters
Office Furniture	Desks, Chairs
Vehicles	Fleet, Vehicle Components, Machinery, Grounds equipment
Tanks	Large storage, customer storage, cylinders
Office Supplies	All supplies
Food & Beverage	Coffee, Tea, other
Construction Material	Gravel, Tank bases, etc

Based on these categories, Primemax has completed a high-level assessment of related institutional spend and recognizes that supply chain risks may exist in activities surrounding the purchase of apparel, promotional products, electronics, and food & beverage.

Apparel

Primemax purchases garments and apparel for use in the following areas:

- Driver's Uniforms
- Personal Protective Equipment
- Customer Promotional
- Employee Promotional

Promotional Products

Primemax purchases a variety of promotional products to distribute to customers, suppliers, and employees. This could carry a risk of forced or child labour from their suppliers.

Electronics

Primemax sources an IT consulting firm for the purchase of almost all electronics. There could be a risk with the supplier of these electronics.

Food Services

Primemax has an agreement with one food service provider who supplies all beverage requirements. This could carry a risk of forced or child labour from their suppliers.

Ongoing and Future Measures

We will continue to primarily engage Ontario-based suppliers to ensure compliant labor sources. By advocating for the use Ontario suppliers with our company, we aim to minimize the risk of outsourcing good and services to a foreign suppliers that might use child or forced labour sources in their direct or indirect resources.



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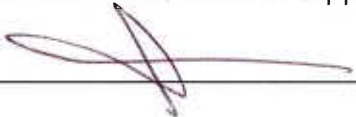
Primemax will be implementing a Supplier Code of Conduct (see appendix 1), as well as working towards integrating ethical questions and expectations into our high-risk categories

Education and Training

Training at Primemax is an ongoing activity. All office staff will be educated on Bill S-211 and will be given additional professional training. Primemax is also in the process of developing ethical procurement training modules including forced labour and child labour that will be made available to all employees.

Approval and attestation

This report has been approved by Primemax Energy in accordance with the Fighting Against Forced Labour and Child Labour in Supply Chains Act.

Signed:  _____

Name: Mike Taylor

Title: President, Primemax Energy

Date: May 24, 2024

I have authority to sign on behalf of Primemax Energy

Appendix 1