

Fighting Against Forced Labour and Child Labour in Supply Chains Act
Annual Report for the Fiscal Year Ending October 31, 2023





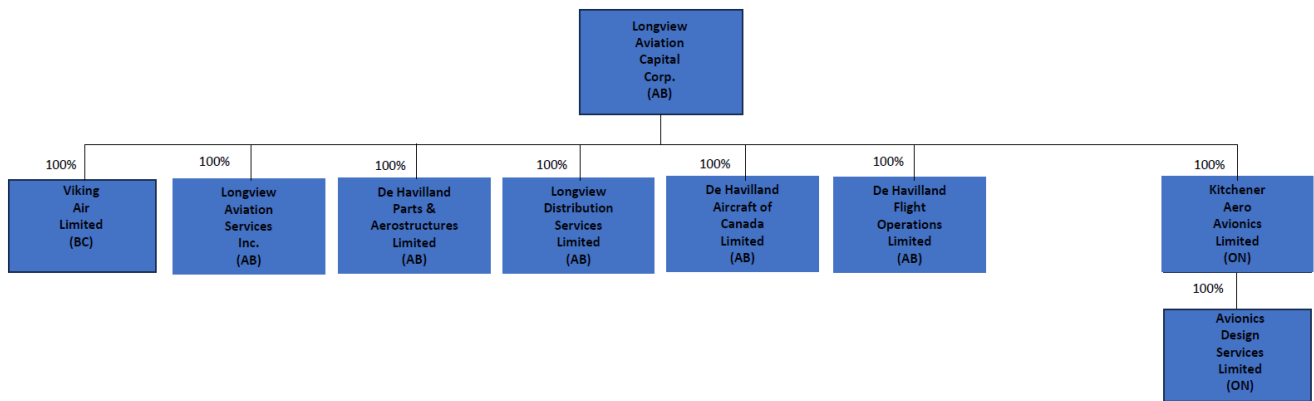
SECTION 1 – ENTITY STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

1.1 Entity Structure and Activities and Entities

Longview Aviation Capital Corp. is a corporation constituted under the laws of the Province of Alberta, which is the parent company of the subsidiary companies listed in Figure 1A below (collectively, “LACC”). LACC engages in a variety of operations related to aircraft manufacturing, maintenance, repair & overhaul services, aircraft sales & resale and aftermarket spare parts and product support. LACC’s financial reporting year is from November 1 to October 31.

LACC intends to amalgamate with several of its Canadian subsidiaries prior to the end of the 2024 calendar year. The current organizational structure is depicted below; however, after the amalgamation, it is anticipated that the amalgamated entity will be named *De Havilland Aircraft of Canada Limited* (“DHC”), which will become the controlling entity of the non-amalgamating subsidiaries.

Figure 1A: *Current Corporate Structure:*



DEFINITIONS

In this report, there will be references to the two distinct divisions are illustrated in Figure 1A. The terms in upper case shall be defined terms throughout this report as follows:

“**Controlled Entities**” means all the corporate entities that reside under the control of LACC as illustrated in Figure 1A.

“**Entity**” means Longview Aviation Capital Corp., and all entities under its control as defined in Article 9 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada).

“**FLCL**” means forced labour and/or child labour.

“**FLCL Act**” means reference to S211: *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Canada).

“**Manufacturing Group**” or “**MG**” means Viking Air Limited, De Havilland Aircraft of Canada Limited and De Havilland Parts & Aerostructures Limited.

“**Non-Manufacturing Group**” or “**Non-MG**” means the entities, other than the Manufacturing Group entities, listed in Figure 1A.

“**Supplier**” means any supplier, contractor, or consultant conducting business in its supply chain with LACC.

1.2 JOINT REPORT OF LACC AND ITS CONTROLLED ENTITIES

This report includes LACC and all of its Controlled Entities outlined in *Figure 1A*. The Controlled Entities qualify as to be included in a joint report as defined in Article 9 of the *FLCL Act*.

1.3 SUPPLY CHAINS ACTIVITIES OF THE ENTITY AND THE CONTROLLED ENTITIES

With respect to the supply chain related to LACC and all of its Controlled Entities, a non-exhaustive and general description related of all the suppliers, resources, activities, production, materials related to aircraft manufacturing, maintenance, repair & overhaul activities, spare parts sales, flight training services, warehousing and avionics.

ACTIVITY TYPE	(YES/NO)	Division
Producing goods (Including manufacturing, extracting, growing and processing)	Yes	MG
in Canada	Yes	MG
outside Canada	No	-
Selling goods	Yes	MG, Non-MG
in Canada	Yes	MG, Non-MG
outside Canada	Yes	MG, Non-MG
Distributing goods	Yes	Non-MG
in Canada	Yes	Non-MG
outside Canada	Yes	Non-MG
Importing into Canada goods produced outside Canada	Yes	MG, Non-MG
Controlling an entity engaged in producing goods in Canada or outside Canada, or importing into Canada goods produced outside Canada	Yes	MG, Non-MG

Figure 2– Entity supply chain activities

SECTION 2 –

POLICIES & DUE DILIGENCE PROCESSES IN RELATION TO FORCED LABOUR/ CHILD LABOUR

3.1 POLICIES RELATED TO FLCL

Supplier Code of Conduct

LACC has existing corporate policies set forth in its *Supplier Code of Conduct* related to forced labour for its MG activities and its non-MG activities. This policy states that any Supplier who engages in forced labour, or has been found to be engaged in forced labour by LACC shall have their business or contract immediately suspended and cancelled. The policy



states that LACC reserves the right to terminate and cease all operations and business relations with any Supplier if they are determined to have engaged in activities defined as FLCL.

With regard to child labour policies, LACC has also updated the *Supplier Code of Conduct* to include anti-child labour policies as obligations upon all Suppliers who conduct business or seek to conduct business with LACC.

Code of Ethics & Business Conduct

LACC has additional corporate policies set forth in its Code of Ethics and Business Conduct. The Code of Ethics and Business Conduct sets forth the standards of behavior that LACC expects of the employees, officers and directors of each of the LACC entities. Our code applies to all employees, officers and directors of the LACC entities. Our goal is to demonstrate the best practices with regard to ethics and integrity in all of our dealings with customers, suppliers, governments and other stakeholders.

Procurement Contracts, RFP Documents, PO Terms & Conditions, Various policy provisions

Additionally, LACC generally includes anti-forced labour in its procurement contracts and purchase order terms and conditions (PO T&C's) for all Suppliers or contractors seeking business with LACC. FLCL provisions expressly state that any Supplier that does engage in FLCL shall be disqualified from any RFP award. If a contract has been awarded and already executed during which FLCL activities are discovered, LACC has the right to conduct further due diligence and reserves the right to suspend the contract or elect to terminate all business dealings with that specific Supplier.

External facing website – Policies posted online

LACC has posted its *Supplier Code of Conduct* and its *Code of Ethics & Business Conduct* to its website so that these policies are available to its employees, the public, and to all Suppliers working with LACC.

3.2 DUE DILIGENCE PROCESSES RELATED TO FLCL

Although LACC has policies and governance surrounding FLCL in place, there are positive actions taken towards identifying and addressing FLCL in its supply chain. As a layered approach, the process for onboarding Suppliers (new suppliers, the RFP award process, new supply chain procurement activities and new contract awards) and the contract document awards (new contract provisions updated with anti-FLCL obligations) are all part of the due diligence process before any Supplier is approved to work with LACC.

Ethixbase360 – third-party FLCL due diligence reporting service provider

To address ongoing due diligence after a Supplier has been awarded a contract, LACC has implemented a monitoring and audit process by conducting an annual survey of its Suppliers. This survey is conducted on behalf of LACC through a third-party service provider ("***Ethixbase360***").



Due diligence with annual reporting on FLCL

To conduct due diligence of its Supplier base, LACC has contracted the services of Ethixbase360.

The Ethixbase360 platform conducts ongoing annual FLCL questionnaire and reporting from the Suppliers that will assist in determining if there is a risk of those activities in their supply chain. The questionnaire report encompasses many risk factors in its questionnaire that includes, but not limited to:

- a. Geographical location of supplier, and the risk of FLCL in that region;
- b. Sector or industry of raw material mining, or processing;
- c. Political regions where FLCL have been known to occur;
- d. Countries or organizations that have been deemed to have conducted FLCL activities; and
- e. Other metrics offered by Ethixbase360 as selected by LACCC.

Ethixbase360 has conducted the same application in other similar and common-law jurisdictions related to FLCL such as Australia, United Kingdom, United States, and various EU member countries. The service provided includes a reporting requirement upon the Supplier, and an attestation document.

All Suppliers currently conducting business will be required (mandatory) to complete this annual report and submit it to LACC. The 3rd party reporting service analyzes and determines a risk score to the Supplier, based on the score metrics above from the responses provided in their report.

It has been communicated that if a Supplier does not participate or complete their reporting obligation, that LACC reserves the right to suspend all business until the report is complete, and to ultimately terminate all business relations with that Supplier.

ELEMENTS OF DUE DILIGENCE CONDUCTED	(Yes/No)
Embedding responsible business conduct into policies and management systems	Yes
Identifying and assessing adverse impacts in operations, supply chains and business relationships	Yes
Ceasing, preventing or mitigating adverse impacts	Yes
Tracking implementation and results	Yes
Communicating how impacts are addressed	No (ongoing)
Providing for or cooperating in remediation when appropriate	No (ongoing)

Figure 3 – Elements of Due Diligence conducted

SECTION 3 –

PARTS OF LACC BUSINESS AND SUPPLY CHAINS THAT CARRY A RISK OF FLCL, AND STEPS TAKEN TO MANAGE THIS RISK

3.1 PARTS OF LACC BUSINESS & SUPPLY CHAINS THAT CARRY A RISK OF FLCL ACTIVITY

Due to the nature of LACC’s business with international suppliers that include raw materials and components that may be sourced in various jurisdictions imported into Canada for production, or used for distribution to other aircraft operators, there are potential areas that may have a higher risk of FLCL activities.

The following areas have been identified to potentially carry a risk of FLCL activities (non-exhaustive list):

AREAS OF RISK FOR FLCL	FLCL identified in supply chain? (Yes/No/ Ongoing)
The sector or industry it operates in	Ongoing
The types of products it produces, purchases or distributes	Ongoing
The locations of its activities, operations or factories	Ongoing
The types of products it sources	Ongoing
The raw materials or commodities used in its supply chains	Ongoing
Tier one (direct) suppliers	Ongoing
Tier two suppliers	Ongoing
Tier three suppliers	Ongoing
Suppliers further down the supply chain than tier three	Ongoing
The use of outsourced, contracted or subcontracted labour	Ongoing
The use of migrant labour	Ongoing
The use of forced labour	Ongoing
The use of child labour	Ongoing
Comments – Additional Information	
The process to review and analyze responses from all Suppliers is currently underway at the time of this report, but the results and information gathered from the Suppliers has not yet been completed by all the Suppliers, and the results have not been compiled into a summary report.	Yes

Figure 4 – Areas of risk for FLCL identified

LACC is committed to reviewing and monitoring the above areas of risk in its business and supply chain. As of the date of submission of this annual report, LACC has engaged with its Suppliers to complete the questionnaire/ report (the “**Report**”) to address all the above areas of risk. LACC is currently analyzing and monitoring the results. We have submitted a requirement to all Suppliers to provide their information through its third-party service (Ethixbase360). The Suppliers are in the process of submitting their information and responses for our review and analysis.



3.2 STEPS TAKEN TO MANAGE RISK OF FLCL IN SUPPLY CHAINS

Reporting requirement to Suppliers

As of the date of this report, LACC has initiated its due diligence in reporting areas of the business and supply chain that may carry a risk of FLCL activities. Our reporting and monitoring metrics are derived from Ethixbase360’s reporting service that went live on May 15, 2024.

Non-compliant Suppliers

Those Suppliers who have not yet responded to completing their report will be reminded several times to comply with this due diligence report, including with several notifications throughout the year if required. The notification will also remind the Suppliers that if they do not complete the report, that LACC reserves the right to suspend or terminate business with the non-compliant Suppliers.

LACC ACTIONS FOR IDENTIFYING FLCL RISKS	(YES/ NO)
We have identified risks to the best of our knowledge and will continue to strive to identify emerging risks.	No (ongoing)
We have started the process of identifying risks, but there are still gaps in our assessments.	Yes
We have not started the process of identifying risks	Yes
We have identified risks to the best of our knowledge and will continue to strive to identify emerging risks.	No (ongoing)

Figure 5 – Summary of actions for identifying FLCL risks

SECTION 4 – MEASURES TAKEN BY LACC TO REMEDIATE FLCL RISKS

4.1 REPORTING REQUIREMENTS UPON ALL SUPPLIERS

The first step required prior to remediating FLCL risks is to identify those metrics within the supply chain. Currently, LACC has initiated the process with all its Suppliers. However, not all data from the Supplier reports has been received. Upon receipt of the completed reports, LACC will be able to analyze and identify those Suppliers deemed to be high-risk for FLCL activities.

4.2 REMEDIAL ACTIONS FOR NON-COMPLIANT SUPPLIERS

For Suppliers that refuse to participate or complete the Report, LACC has stated that it reserves the right to suspend and/or terminate work with any Supplier to be non-compliant. This message has been included in our *Supplier Code of Conduct* and will be an obligation upon all Suppliers through LACC’s policies, and



documents. This will also include portions of the Supplier's Representations provisions in LACC's contracts whereby activities of FLCL shall be a breach of their contractual obligations.

4.3 REMEDIAL ACTIONS FOR SUPPLIERS THAT ARE DEEMED HIGH-RISK FOR FLCL

It is LACC's policy that Suppliers deemed high-risk for FLCL in their supply chains shall be reviewed; and if the Supplier's do not remediate or clarify and justify why their status should be perceived as high-risk; then LACC shall take remedial actions such as immediately suspending and/or termination of contracts or work with that Supplier.

If the Supplier has been flagged in other jurisdictions for violating FLCL laws, LACC will review and potentially deem that Supplier as perceived high-risk for FLCL.

SECTION 5 –

MEASURES TAKEN TO REMEDIATE THE LOSS OF INCOME TO MOST VULNERABLE FAMILIES RESULTING FROM MEASURES TAKEN TO ELIMINATE FLCL

5.1 ACTIONS TAKEN TO REMEDIATE LOSS OF INCOME TO VULNERABLE FAMILIES

As of the date of this annual report, LACC has not yet received sufficient data to identify an FLCL activities, and its impact on vulnerable families. Therefore, there have been no actions taken to remediate loss of income to those affected vulnerable families as of the date of this annual report. LACC looks forward to reviewing any recommendations from the Minister regarding legislative framework requirements to remediate loss of income to vulnerable families.

SECTION 6 –

TRAINING PROVIDED TO LACC'S EMPLOYEES FOR FLCL

6.1 TRAINING RELATED TO FLCL

LACC provides an online training course for its *Code of Ethics & Business Conduct* as part of every new employee's onboarding and certification of course completion, and an acknowledgement to be bound by the Code of Ethics & Business Conduct is required from all participants. While our Code of Ethics & Business Conduct does not directly address issues of modern slavery, it affirms our goal of demonstrating the best practices with regard to ethics and integrity in all of our dealings with customers, suppliers, governments and other stakeholders. It is anticipated that education and training related to FLCL will become part of the *Code of Ethics & Business Conduct* training in the future. This training initiative is actively in progress.

SECTION 7 – ASSESSING THE EFFECTIVENESS IN ENSURING THAT FLCL IS NOT USED IN ITS BUSINESS AND SUPPLY CHAINS

7.1 ASSESSING EFFECTIVENESS THAT FLCL IS NOT BEING USED

Ethixbase360: Third-party organization to conduct independent review

There have been initial measures undertaken by LACC to assess the effectiveness that FLCL is not being used in its business and supply chains. The first measure that was recently implemented was partnering with Ethixbase360 to provide the due diligence in identifying areas and Suppliers that may have a high-risk potential of engaging in FLCL.

Annual internal review of Effectiveness

Based on the analysis and reports derived from Suppliers who have completed their Reports, LACC will be able to assess its effectiveness in addressing the high-risk actions of its business and supply chains. It is the intent that LACC will be able to conduct an annual year over year (“YoY” review of the progress made related to enforcing its measures against those Suppliers that are high-risk of engaging in FLCL in their business, and the actions that LACC has taken in response. The following table outlines LACC’s actions taken to assess its effectiveness to date. Note that this is first year, and LACC does not have sufficient data over time to conduct a comparative performance review of the effectiveness.

METHOD TO ASSESS EFFECTIVENESS	YES/ NO
Setting up a regular review or audit of the organization’s policies and procedures related to forced labour and child labour	No (in development)
Tracking relevant performance indicators, such as levels of employee awareness, numbers of cases reported and solved through grievance mechanisms and numbers of contracts with anti-forced labour and -child labour clauses	No (in development)
Partnering with an external organization to conduct an independent review or audit of the organization’s actions	Yes
Working with suppliers to measure the effectiveness of their actions to address forced labour and child labour, including by tracking relevant performance indicators	Yes

Figure 7 – Dashboard Metrics measured regarding FLCL in supply chain



APPROVAL AND ATTESTATION OF ANNUAL REPORT

Fighting Against Forced Labour and Child Labour in Supply Chains Act

This annual report has been approved by authorized officers of *Longview Aviation Capital Corp.* and the entities it controls for the financial year ending October 31, 2023.

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (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.

I hereby have the authority to bind **Longview Aviation Capital Corp.**, and the entities under its control:

Per:	
Name:	Dave Riggs
Title:	Interim Vice President, Supply Chain
Date:	May 29, 2024