



5/31/2024

Jennmar Canada - 2024 Supply Chain Risk Report

This report reflects Jennmar Canada Ltd.'s management of forced labor and child labor risks in supply chains for the fiscal year ending on September 30, 2024, in compliance with and as required by Canada's Fighting Against Forced Labor and Child Labor in Supply Chains Act (the "Act").

Business Structure, Activities, and Supply Chain

Jennmar Canada has a place of business in Canada, does business in Canada, and has assets in Canada. Jennmar Canada operates in the following sectors or industries: mining, quarrying, and oil and gas extraction. The corporation Jennmar Canada is headquartered in Ontario, Canada.

Jennmar Canada's activities include producing goods in Canada, selling goods in Canada and outside Canada, distributing goods in Canada and outside Canada, importing into Canada goods produced outside Canada, and controlling an entity engaged in producing goods in Canada or outside Canada or importing into Canada goods produced outside Canada.

Steps Taken to Prevent and Reduce Risks of Forced Labor and Child Labor in the Supply Chain

Jennmar Canada has taken steps to prevent and reduce the risk that forced labor or child labor are used at any step of the production of goods in Canada or elsewhere by the company or of goods imported into Canada by the company. These steps include mapping supply chains.

Jennmar Canada has previously mapped out part of its supply chain, including Tier 1 and some Tier 2 suppliers, to identify backup suppliers for CAPEX equipment and obtain greater visibility into the supply chain of raw materials like steel. This was not a comprehensive exercise but rather an occasional activity that provided partial visibility into key parts of the supply chain, and it was not intended to address issues related to forced labor or child labor.

To specifically target these issues, in early 2024, the company partnered with an external consultant to identify a subset of Tier 1 suppliers based on FY24 spend and address information. AI techniques and buyer-supplier relationships were used to extrapolate Tier 2 and Tier 3 information. This data was then cross-referenced against reputable sources, such as lists produced by the US Department of Labor, which identify geographies and industries potentially at higher risk of forced or child labor, with a goal to determine an initial level of potential exposure the business had. This exercise, while not conducted in FY24, would involve the following activities listed above: mapping supply chains; contracting an external assessment of the risks of forced and/or child labor in the organization's activities and supply chains; and prioritizing due diligence efforts on the most severe risks of forced and child labor.



Policies and Due Diligence Processes in Relation to Forced Labor and Child Labor

Jennmar Canada does not currently have policies and due diligence processes in place related to forced labor and/or child labor.

Identified Parts of Activities and Supply Chains that Carry a Risk of Forced Labor or Child Labor

Jennmar Canada has started the process of identifying risks but there are still gaps in assessments. Forced labor or child labor risks in its activities and supply chains were identified in the following sectors and industries: agriculture, forestry, fishing, and hunting; mining, quarrying, and oil and gas extraction; and manufacturing.

The risk assessment carried out in early 2024 revealed that a very small percentage of Tier 2 and Tier 3 suppliers were sourcing goods from countries and industries known for the prevalence of forced and/or child labor. It's important to note that the assessment identifies potential risk exposure, not confirmed cases. Out of the suppliers identified in Tiers 2 and 3, the analysis found that only a very small fraction of these companies was potentially at risk. Recognizing Jennmar Canada's commitment to addressing forced labor or child labor, the company will continue to monitor and manage this potential risk.

Measures Taken to Remediate Any Forced Labor or Child Labor

Jennmar Canada has not identified any forced labor or child labor in its activities and supply chains. Jennmar Canada has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labor or child labor in its activities and supply chains.

Forced Labor and Child Labor Training

Jennmar Canada does not currently provide training to employees on forced labor and/or child labor.

Assessing Effectiveness in Ensuring that Forced Labor and Child Labor are Not Being Used

Jennmar Canada is assessing its effectiveness in ensuring that forced labor and child labor are not being used in its activities and supply chains by partnering with an external organization to conduct an independent review or audit of the organization's actions.

This year's risk assessment concentrated on identifying the most critical Tier 1 suppliers, which account for approximately 80% of FY24 annual supplier expenditure. Following this, Tier 2 and Tier 3 suppliers were identified using a large dataset of buyer-supplier relationships and AI techniques, and then compared against several reputable sources that identify potential exposure to forced labor or child labor at a geographic/industry level, not an entity level. While this exercise was effective in assessing initial and potential risk exposure, it did not confirm specific cases of forced labor or child labor, and therefore further due diligence by the company may be required in the future to monitor and manage this potential risk. The external partner also conducted an assessment of Jennmar Canada's current policies and procedures to support completion of this report, subsequently identifying gaps and providing supporting materials to help potentially address some of those gaps in the future.



Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, this report was approved by the Board of Directors of Jenmarm Holdings, LLC and the directors of Jenmarm Canada Ltd.

In accordance with the Act, I, the undersigned, 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 have the authority to bind Jenmarm Holdings, LLC and Jenmarm Canada Ltd.

James Pfeifer
General Counsel
5/31/2024

A handwritten signature in black ink, appearing to read "Jw Pfeifer", written over a horizontal line.