



## **ANNUAL REPORT ON FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS**

**For the year ended March 31, 2024**

## HISTORY

Jetco Mechanical Limited (“JML”) is a privately held Canadian owned and operated company. The Company was established in 1956.

The Company has a number of Core Values which fall under the overall umbrella of “Exceptional Service and Maintenance, Guaranteed”. They are:

- Customer Service
  - Placing importance on both internal and external customers, focusing on their needs;
- Quality
  - Providing products and services that exceed customer expectations;
- Safety
  - Fostering a culture that promotes safe work habits and environments;
- Integrity
  - Doing what we say we will and holding ourselves accountable to do what is right, not what is easiest;
- Professionalism
  - We value our conduct, quality and service as defining who we are;
- Loyalty
  - Striving to increase the longevity of our relationships.

## CORPORATE STRUCTURE, ACTIVITIES AND SUPPLY CHAIN

This annual report on forced labour and child labour in supply chains (the “Report”) is a report by Jetco Mechanical Limited in accordance with the Fighting Against Forced Labour and Child Labour in Supply Chains (the “Act”). All information in the Report is at March 31, 2024.

This report covers only Jetco Mechanical Limited. JML is a mechanical contractor that specializes in both residential and commercial construction. JML provides plumbing, heating, air conditioning service and maintenance in Edmonton, Alberta and the surrounding area.

The reporting unit’s supply chain is primarily Canadian businesses for direct and indirect products and services. Direct parts mainly include heating, plumbing and HVAC parts sourced from Canadian suppliers.

JML believes that it is not directly or indirectly involved in perpetrating or participating with any businesses that utilize forced labour or child labour in their supply chain. However, by the nature of the parts in the manufacturing supply chain, which involves the utilization of raw materials that could be sourced from high-risk countries, JML cannot be fully satisfied that its supply chain has

responsible business conduct below our direct suppliers. Due to the limited size of JML's purchasing power, it has little to no influence on the businesses in our supply chain.

The majority of JML's suppliers are large Canadian business which must comply with the Fighting Against Forced Labour and Child Labour in Supply Chains Act ("the Act"). While this does not remove our responsibility to complete our own due diligence, we believe that these suppliers are adhering to the Act and are following responsible business conduct.

In the review of our supply chain, we determined that our suppliers are located within Canada and/or were determined to be at low risk for forced labour or child labour.

## **POLICIES**

JML incorporates responsible business conduct in our operations, policies and procedures. JML considers business practices and conduct of suppliers before we contract to commence a business relationship with them. JML is developing policies and procedures to better monitor the business conduct of its suppliers.

## **CHARACTERISTICS OF DUE DILIGENCE**

JML will utilize the following approach to due diligence with respect to forced labour and child labour.

The following are excerpts from the OECD (Organization for Economic Co-Operation and Development) "Due Diligence Guidance For Responsible Business Conduct" (2018), for which the wording has been adjusted as applicable.

- Due diligence is preventative - The purpose of due diligence as it relates to forced labour and child labour is to avoid causing or contributing to adverse impacts on society, and the environment, and to try to prevent impacts to operations, products and services.
- Due diligence involves multiple processes and objectives - The concept of due diligence under the OECD Guidelines involves interrelated processes to identify potential impacts, prevent and mitigate impacts, track implementation and results and communicate on how adverse impacts are addressed with respect to an enterprises' own operations, their supply chains and other business relationships.
- Due diligence is commensurate with risk (risk-based) - The measures undertaken to conduct due diligence should be commensurate to the severity and likelihood of the adverse impact.
- Due diligence can involve prioritisation (risk-based) - An enterprise should prioritise based on the magnitude and likelihood of the impact. The process of prioritisation is ongoing, and new or emerging impacts may arise and be prioritised before moving on to less significant impacts.

- Due diligence does not shift responsibilities - Each enterprise in a business relationship has its own responsibility to identify and address adverse impacts.
- Due diligence is appropriate to an enterprise's circumstances - The nature and extent of due diligence can be affected by factors such as the size of the enterprise, the context of its operations, its position in supply chains, and the nature of its products or services.
- Due diligence can be adapted to deal with the limitations of working within business relationships - Enterprises may face practical and legal limitations to how they can influence or affect business relationships to cease, prevent or mitigate adverse impacts on responsible business conduct issues or remedy them. Enterprises may not have the market presence or power to influence their business relationships.

## **MEASURES TAKEN TO REMEDIATE**

JML is not aware of any forced labour or child labour in our direct or indirect supply chain. Accordingly, no action has been taken to remediate any forced labour or child labour.

## **STEPS TAKEN TO PREVENT OR REDUCE THE RISKS OF FORCED LABOUR AND CHILD LABOUR IN THE PREVIOUS FISCAL YEAR**

JML does not manufacture products or directly import products into Canada. In the coming fiscal year, JML will commence development of policies and procedures designed to better monitor its suppliers for responsible business conduct.

## **TRAINING**

JML is developing training for employees who purchase goods and services for the Company to reduce the risk of purchases from suppliers who do not follow responsible business conduct.

## **ASSESSING THE EFFECTIVENESS OF OUR PROCEDURES**

JML is developing policies and procedures to assess the effectiveness of its procedures to monitor, detect and take appropriate action in respect of irresponsible business conduct of its suppliers.

## **ATTESTATION**

This report is for Jetco Mechanical Limited as a single reporting unit.

In accordance with the requirements of the Act, I attest that I have charged those responsible for governance and control of the companies to have reviewed the information contained in this report. Based on their knowledge, and their 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.

I, Stanley Alldritt, Director, have the authority to bind Jetco Mechanical Limited.

A handwritten signature in black ink, appearing to read "S. Alldritt", written over a horizontal line. The signature is stylized and includes a large, sweeping flourish that extends to the right.

May 21, 2024