



National Refrigeration & Air
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Fighting Against Forced Labour and Child Labour in Supply Chains Act

Reporting Period: January 1, 2023 to December 31, 2023

Requirement (a) - Structure, activities and supply chains

Structure

National Refrigeration & Air Conditioning Canada Corp. is a corporation which is privately owned and manufactures commercial refrigeration equipment, under brand names including KeepRite, Bally and Trenton. Operations are based in Brantford, Ontario, Canada, with sales representatives across Canada and the US, with additional customer support staff in the US. National employs approximately 240 individuals with the majority of staff located in Brantford, Ontario, Canada. The Company structure includes a President, who oversees various Managers and Supervisors of departments that include Engineering, Production, Shipping and Receiving, Quality, Purchasing, Accounting, Human Resources and IT. Production departments include a press shop, core building, and various assembly areas where tasks involving wiring, brazing, welding, tube bending, crating and testing are some of the process that are occur.

Activities

As a manufacturer of commercial refrigeration equipment, our products include specialized applications in food storage and processing, industrial process cooling, including evaporator coils, condensing units, condensers, heat transfer and heat recovery and air conditioning products. We offer product design and engineering, manufacturing, sales and aftermarket support.

Supply Chains

We rely on our suppliers for raw materials, parts and components that are used to build commercial refrigeration equipment in our manufacturing facility. Our raw materials, including aluminum sheets and fins, copper tubing, fittings and return bends, silver solder and galvanized steel come from suppliers in both Canada and the US. Parts and components also coming from suppliers in Canada and the US include compressors, controls, distributors, electrical parts, fan blades, fasteners, motors, receivers, suction accumulators, valves and oil separators. A supplier in Mexico provides electrical controls, fan blades and motors. Our service providers are located in Canada and the US and they provide IT support and services, building and machine maintenance and various other services.

Requirement (b) – Policies and due diligence processes

National has developed a Policy on Forced and Child Labour and will educate staff members involved with the supply chain on its internal policy, as well as the purpose

and scope of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*.

National has also put into place supplier requirements which are further described in the 'Remediation Measures' section of this report.

Requirement (c) – Forced labour and child labour risks

National recognizes that its raw materials, as well as some of the raw materials that are used to manufacture components, purchased from suppliers and used in their manufacturing processes, may be sourced in areas of the world that carry a higher risk of modern slavery and child labour.

National further recognizes that suppliers who source their products from high-risk countries may use forced or child labour in their manufacturing and/or assembly processes.

National does not condone the use of forced or child labour and has reached out to its suppliers notifying them of its stance regarding this human rights matter. Furthermore, National has put into place requirements for its suppliers. More information on supplier requirements can be found in next section of this report, titled 'Remediation Measures.'

Requirement (d) – Remediation measures

National has reached out to its suppliers regarding its stance on child and forced labour. Each year, suppliers will be required to complete a 'Supplier Self Certification' which outlines National's stance and principles in relation to human rights laws and regulations. Furthermore, National requires suppliers to abide by its policies and to immediately report any known or suspected activity or changes to its business that may result in child or forced labour in their supply chains.

Should National become aware of any use of child or forced labour in its supply chain, it will seek to discontinue business with the supplier and seek out other suppliers whose principles align with those of National.

Requirement (e) – Remediation of loss of income

No actions have been taken by National in this particular area.

Requirement (f) – Training

National will provide mandatory, internal training to staff members who work directly with the supply chain. This includes all members of our Purchasing Department, including the Department Manager. Training includes the definitions of forced labour and child labour, information on the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, as well as the Company Policy and expectations. The training is developed internally by the Human Resources Department in consultation with the Act. Training is delivered by the Human Resources Department as a PowerPoint presentation. Individuals are given the opportunity to ask questions and must demonstrate their knowledge and understanding by successfully completing a quiz. Those who do not demonstrate a thorough understanding will be required to retake or review the training with a member of the HR department. Quiz questions are developed

from information presented in the PowerPoint. The training takes approximately 45 minutes to complete. Current employees will receive the training and any new employees, either to the department or the organization, who work with our supply chain, will receive the training during their first month in the department.


Requirement (g) – Assessing effectiveness

No actions have been taken to assess our effectiveness in preventing and reducing risks of forced labour and child labour in our activities and supply chains. At this time, however, National will be actively reviewing its Supplier Self Certification process and if any of our suppliers are known to be engaging individuals in forced or child labour, National will look to alternate suppliers which align with the principles outlined in our Forced and Child Labour Policy.


Requirement (h) - Signed 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 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, Dave Teeter, General Manager, have the authority to bind National Refrigeration & Air Conditioning Canada Corp.



Signature



Date