2024 Annual Report on Forced Labour and Child Labour

1. Introduction

This report reports on the actions taken by SBI over the past year to monitor its activities, including its supply chain, to ensure that the company is not involved in or in any way promotes forced labour and child labour in any form.

2. Company Overview

Gestion Jaymac Inc. is the parent company of several subsidiaries. For the purposes of this report, we will refer to this business combination as "SBI". SBI is a company that designs, manufactures and markets residential heating products, sold throughout the world. The company operates two manufacturing plants and 1 distribution centre located in Canada and the United States, as well as a distribution centre in Australia. The products are made from materials and components sourced primarily from North America, but also from Europe and Asia. This involves the company collaborating with multiple suppliers and subcontractors to support its operations.

3. Actions taken in the last year

Over the past year, SBI has undertaken the following actions to reduce the risks of forced labour and child labour:

- Discussion and request for additional information from certain suppliers deemed to be at higher risk to ensure that our policy regarding forced labour is respected.
- Visits to certain suppliers who have never been visited for evaluation.

4. Policy and due diligence process

The policy on forced labour and child labour can be found at the following link: https://www.sbi-international.com/fr/politique-de-confidentialite-et-cookies/

SBI has a process for analyzing the risks of its supply chain, based on its sourcing strategies by component category. Each year, the purchasing team and a representative from the finance team analyze each procurement category to evaluate the suppliers used. In this analysis, the data collected through the compliance form is used to inform the risk analysis. Following the preliminary risk analysis, additional actions such as manufacturing site visits are identified when necessary. The identified actions are incorporated into an action plan that is monitored over the next year by the team to validate whether the assessments have led to findings requiring further action or whether the identified risks have been addressed.

5. Supply chain risk

Over the years, SBI's purchasing team has visited several of its suppliers to evaluate them. The suppliers visited have already been vetted and their manufacturing operations are unlikely to use forced or child labour.

The greatest risks currently are with suppliers who have never been visited, as well as with companies that sell to SBI suppliers, because currently, the company has no visibility on them.

In the coming year, the risks of forced labour and child labour at the supplier level of our suppliers will be the focus of the procurement team. Additional information will be required from suppliers deemed to be at risk to ensure that our policy regarding forced labour is respected.

6. Formation

The policy on forced labour is now part of the training materials for new employees. At the beginning of the annual risk review meeting, the policy is read to ensure that team members are aware.

7. Evaluation

SBI has set up a governance committee within the company. The work done to identify the risks related to forced labour and child labour as well as the actions taken to minimize them are presented to the Governance Committee annually. The governing committee has the mandate to evaluate the work done and to require additional validations as necessary to ensure that the company's policies are respected.

8. Approval and Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I, the undersigned, certify that I have reviewed the information contained in this report for Jaymac Management Inc. and its subsidiaries. To the best of my knowledge, I confirm that the information contained in this report is true, accurate and complete in all material respects for the purposes of the Act, for the above reporting year.

Pierre Pleau
Managing Director SBI International
May 30, 2025