

Kelmar Modern Slavery Report

1. Introduction

Regulatory Compliance Overview:

The Canadian Fighting Against Forced Labour and Child Labour in Supply Chains Act (the "Act") mandates that entities disclose the measures they have implemented over the fiscal year to mitigate the risks of forced and child labour (collectively, "modern Slavery") in their operations and supply chains. This report was prepared for Kelmar Ltd. ("KLM") and its affiliated entities (herein referred to as "we", "us", or "our") as set out in the Reporting Entities section (collectively "KLM") of this document. For the newly established act passed as law on May 11, 2023, KLM is required to publish and report under the applicable act for the fiscal year end of 2024.

About the Business:

Our Kelmar Ltd. team is made up of professional field foremen, electricians, apprentices, operators, power line technicians, and labourers. Our "On the ground" team is supported by team members that look after and coordinate estimating, scheduling, ordering, file procurement, human resources, safety, maintenance, accounting, contractor liaison, plan development, permits- first call-inspection coordination and so much more.

Kelmar Ltd. has been in business since 1984 and is currently lead by Johnathon and Brian Dziadek. Founded by Mark and Kelly Dziadek, Kelmar Ltd. remains a family run business that encourages family values, leadership and safety. Mark and Kelly continue to offer their mentorship.

Commitment Statement:

KLM is dedicated to the ethical and responsible conduct of our business. We strongly discourage and do not endorse modern slavery in our business and supply chains. We are committed to aligning our practices with the act to uphold human rights and dignity by addressing the risks of modern slavery in our organization and supply chain and complete training. It is planned to strengthen and mature our modern slavery compliance framework in future reporting periods.

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 purposed of the Act for the reporting fiscal year of 2024.



I have the ability to bind
Kelmar Ltd. and affiliated entities

Johnathon Dziadek
President

2. Company Structure and Supply Chains

2.1 KLM is based in Western Canada with the head office address being Box 268 Sundre, Alberta. Our main focus of work is currently based in Calgary, Alberta, but have licensing to work in Saskatchewan and Manitoba provinces.

KLM employs approximately 225 full time employees for all reporting entities named within this document.

2.2 Operations

2.2.1 KLM offers a full range of Electrical Contracting and Shallow Utility development services.

We provide electrical contracting for multi-family, single family, residential, hotel, commercial and industrial projects.

We provide the installation of underground shallow utility services for subdivisions, acreages, commercial and multi-family developments.

KLM is on the pre-approved Fortis, Enmax (Calgary) and ATCO contractors list, allowing us to do 3 and 4 party gas installs.

2.3 Supply Chains

2.3.1 Our subcontractors and suppliers are an integral part of our ability to provide an array of services for our clients. We have a high standard of safety and ethical standards and ask that our associates follow the same guidelines as us.

2.3.2 To perform our work, we procure goods and services from various suppliers and subcontractors. The suppliers and subcontractors that we engage are primarily local and adhere to regulations in Canada Employment Standards and for CSA approved products for electrical industry, which are among the highest standards in the world.

2.3.3 Our supply chains are as follows:

2.3.4 Raw Materials – (e.g. sand, concrete, pipe, electrical wire, and electrical parts (switches, plugs, and breaker panels)).

2.3.5 Equipment – (e.g. Heavy equipment, excavators, packers, etc.).

2.3.6 Vehicles – (e.g. Heavy transport vehicles, specialized heavy-duty trucks with cranes and buckets, and passenger vehicles).

2.3.7 Consumables, inventory and other products and services – (cleaning materials, fuels, def fluids and oils).

2.3.8 Office Equipment – (e.g. mobile phones, computer equipment and office supplies).

2.3.9 Essential Supplies – (e.g. personal protective equipment).

2.3.10 Service Providers – (e.g. IT Support, insurance providers, subcontracts, consultants, and cleaners).

In future reporting periods to come, KLM will obtain a greater understanding of our supply chains and take the necessary steps to evaluate the relationship and mitigate any associated risks by carrying out risk based due diligence checks.

3. Risks Identified

- 3.1 As this is the first reporting period for KLM we currently do not have a risk management process in place. KLM will continue to work on building a procedure on how to identify and rate the risk management for modern slavery. Currently KLM sources all of its materials from supply chains located in Alberta, Canada, of these the highest risk materials are sourced from larger corporations who would already be reporting for Bill S-211.
- 3.2 KLM operates solely in Canada where modern slavery risk is considered low. We follow the Alberta employment standard regulations and pay our employees according to the wages set out by the government. We currently have procedures in place that any employee can submit their concerns regarding their employment, unsafe work, or treatment from others without fear of intimidation or reprisal.
4. Future Planning
 - 4.1 Moving forward, KLM plans on implementing the following items to help reduce the risk and exposure of modern slavery
 - 4.1.1 KLM will assess their current policies and will amend or implement new policies that address the topic of modern slavery. Our goal is to provide information and training to our employees to protect them and others from the risk of modern slavery.
 - 4.1.2 Creating and issuing questionnaires to suppliers to help screen and build risk assessments for suppliers and subcontractors
5. Conclusion and Key Takeaways
 - 5.1 Bill S-211 is a new act brought in in 2023, KLM will work on implementing internal processes to update policies, create procedures, train employees, and create risk assessments for supply chains in accordance with the requirements of Bill S-211.
6. Reporting Entities:
 - Dziadek Family Trust
 - Kelmar Ltd.
 - Arctic Iron Ltd.
 - Kovaquell Entertainment Ltd.
 - 853593 Alberta Ltd.
 - 2243639 Alberta Ltd.