

# Modern Slavery Report – Fiscal Year 2025

Prepared by the Northern Alberta Institute of Technology (NAIT)

## Introduction

Modern slavery, encompassing forced labour and child labour, remains a pervasive global issue. In Canada, Bill S-211, the "Fighting Against Forced Labour and Child Labour in Supply Chains Act" (the Act), came into force on January 1, 2024, aiming to increase transparency and accountability in supply chains to combat these egregious human rights violations. While not exclusively targeting post-secondary institutions, the Act's broad scope means that many universities and colleges, particularly those involved in producing or importing goods, are subject to its reporting obligations.

Although upon review assessment of NAIT's Supply Chain we can ascertain our risk is minimal, NAIT recognizes its responsibility to maintain the highest ethical business standards in procurement and supply chain operations while remaining vigilant and responsive. Our institution is committed to developing robust policies and practices that uphold human rights and promote transparency within our supply chain. This report outlines NAIT's supply chain structure, policies, risk assessments, and future commitments.

## Structure, Activities and Supply Chains

With over 60 years, The Northern Alberta Institute of Technology (NAIT) has played a vital role in building and diversifying Alberta's economy by training skilled workers in high-demand fields. NAIT is known for our hands-on, applied learning model that prepares our graduates for success. We are one of Canada's largest polytechnics with an annual footfall of 39,000 students and apprentices across our campuses, we are proud of that 93% of NAIT grads are employed within 9 months of completing their training, and 98% find employment in communities across Alberta.

Over the past two years NAIT has undertaken strategic efforts to streamline the delivery of our programs and services to strengthen alignment between our program offerings and Alberta's key economic sectors as well as to secure our long-term financial sustainability.

This work has led to a new academic structure bringing together related disciplines within seven focused schools, reflecting better on modern workplaces, and enhancing graduate productivity and career readiness. Through our:

- **School of Construction and Building Sciences:** we bring together mechanical, construction, electrical and building design trades and technologies.
- **School of Energy and Natural Resources:** we combine our power systems programming, with petroleum, chemical, alternative energy, forestry, water and wastewater, and environmental technologies.

- **School of Manufacturing and Automation:** we are aligning our advanced manufacturing technologies with industrial automation and design sciences.
- **School of Transportation:** we have brought together the automotive services, heavy equipment and hoisting apprenticeships and diploma programs.
- **JR Shaw School of Business:** we have integrated our culinary programs alongside our learners enrolled in accounting, finance, HR, marketing, hospitality, management, and entrepreneurship programs.
- **School of Health and Life Sciences:** we continue to train our allied health, dental, and animal health care practitioners; and
- **School of Media and Information Technology:** we have aligned of our media, innovation sciences, IT and communications system technologies to best support our growing information technology sector.

NAIT is also a leading applied research institution, having been named one of Canada's Top 3 Research Colleges in 2024. Through our industry solutions portfolio, inclusive of our (9) applied research centre and corporate and continuing education division, NAIT is driving innovation and workforce development solutions.

## Our Supply Chains

At NAIT our Supply Chain Management mission is to deliver strategic, transparent, and value-driven procurement solutions that support institutional excellence and operational integrity. Guided by principles of accountability, efficiency and sustainability, our team ensures the timely and ethical acquisition and delivery of goods, services, and construction resources essential to NAIT'S educational and research mission.

Our Procurement team plays a critical role in stewarding public funds, we adhere to our Canadian Public Procurement guidelines, following the New Partnership Trade Agreement (NPWT) for the MASH sector , this agreement promotes open, transparent and non-discriminatory procurement practices across the Western provinces, our adherence to this agreement whether acquisition of goods or services, ensures all procurement activities are conducted in a fair, accountable and transparent manner.

At NAIT we purchase a wide variety of services and goods to support our programs of study. Among our main categories we have identified the following areas:

- **Educational Technology:** Purchases of software, IT hardware, and consultancy-associated services.
- **Construction Projects:** Renovation projects and construction associated with campus growth, including general contracting services, electrical, mechanical, architectural services, consultancy, as well as furniture and supply installation.
- **Facility Management Services:** Property and facility maintenance services, building management control systems, groundskeeping, snow removal, and janitorial services.

- **Industry Solutions and Consultancy Services:** Acquisition of specialized services and equipment associated with research and continuing education needs.
- **Applied Science, Health, and Life Sciences:** Lab equipment and specialized consumables for instructional purposes, such as chemicals and pharmaceuticals.
- **Industrial Supplies:** Supporting our trade programs, we purchase a variety of consumables including welding, electrical, metal, electronic, HVAC, automotive, building supplies, and associated equipment.

In addition, there is a Bookstore and Culinary area that purchase supplies and consumables needed to support our retail operations.

The **NAIT's shop** primarily focuses on selling student resources, books, and curriculum supplies. Additionally, it offers clothing, branded giftware, stationary supplies, and technology products such as laptops and accessories.

Our **Culinary** area provides a range of food services and products for both the NAIT community and external customers. This area sources ingredients to create diverse food offerings, from quick bites to gourmet meals. The retail services include various dining options, prepared meals, and culinary supplies that support culinary programs and contribute to the campus dining experience.

## **Our Spend Metrics and Imports:**

NAIT's total addressable spending for fiscal year 2025 reached approximately \$88 million Canadian dollars, in the past year we observed a substantial increase in spend in our Educational Technology category which represented our largest spend category with 23%. This change followed major system upgrades, the renewal of essential IT infrastructure, and enhanced audiovisual setups for classrooms.

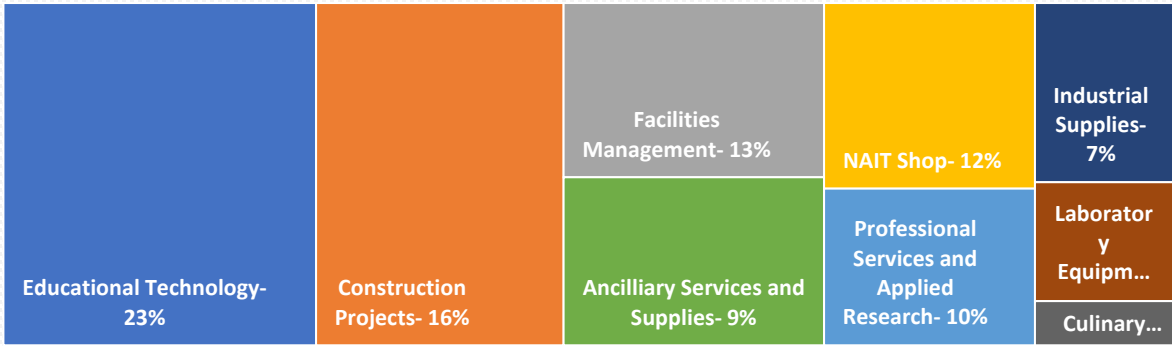
Goods expenditures for the year amounted to nearly \$31 million, representing about 36% of the total spending.

Our imports on another hand accounted for \$885,000, roughly 1% of the overall addressable spending and 3% of the goods expenditure. Of these imports, 27% supported NAIT's shop operations, particularly through publishers catering to bookstore needs. The remaining imports primarily consisted of specialized consumables and equipment essential for research and curriculum support.

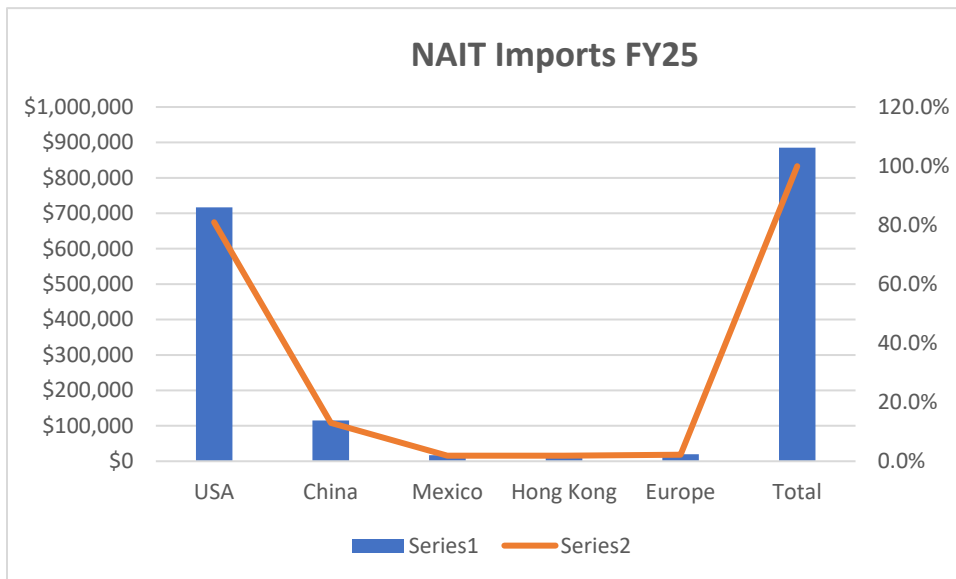
During FY25, 81% of NAIT's imports originated from the United States, with the remaining portion sourced from other countries, as illustrated in the accompanying chart.

## NAIT FY2025- Addressable Spend

- Educational Technology- 23%
- Construction Projects- 16%
- Facilities Management- 13%
- NAIT Shop- 12%
- Professional Services and Applied Research- 10%
- Ancilliary Services and Supplies- 9%
- Industrial Supplies- 7%
- Laboratory Equipment & Supplies- 5%
- Culinary Operation- 5%



## NAIT Imports FY25



## Policies and Due Diligence

NAIT's Procurement Policies underscore our dedication to promoting transparency, ethical practices, and adherence to public procurement standards. Our approach ensures fairness and competition while aligning with the trade agreements that govern public procurement.

A vital component of our strategy is the prequalification process, which identifies strategic partners for standing agreements with NAIT. This is achieved through public procurement opportunities, where suppliers undergo a thorough evaluation based on their expertise, reliability, and alignment with NAIT's values and goals. These agreements foster standardization, continuity, cost-effectiveness, and innovation, allowing us to better meet the institution's diverse operational needs.

NAIT is committed to aligning with national and international human rights standards and continuously improving in this area. While the risk of supply chain issues is currently low, we remain proactive in ensuring safe and sustainable practices.

Recently, we categorized our supplier base to analyze spending patterns and identify potential risks associated with high-risk regions or industries. Textiles, particularly those for NAIT shop clothing, stand out as a higher-risk category. Although most suppliers are domestic distributors, their materials may originate overseas, introducing risks in the second or third tiers of the supply chain.

To address this concern, our Retail Services team surveyed textile suppliers regarding their fair supply chain practices. As of the report's publication date, only one-third of suppliers have responded. Retail Services is determined to remove vendors unable to provide proof of compliance by December 31, 2025. Notably, larger brands that have publicly committed to sustainability and social governance in their ESG statements, along with proof of compliance, were not included in the survey.

### **Contracted Work and Food Services:**

We recognize that there is a minimal risk that some outsourced services could be linked to forced labor. To address this, our procurement contracts and RFX templates mandate that all contractors maintain Workers' Compensation Board (WCB) and liability insurance. Additionally, for construction projects, our suppliers must comply with Certificate of Recognition (COR) standards, which ensures that an employer's health and safety management system has been evaluated by a certified auditor and meets the standards set by the Government of Alberta.

Although Alberta's Occupational Health and Safety regulations do not explicitly address forced or child labor, the code obliges employers to ensure the health, safety, and welfare of workers—a requirement fundamentally incompatible with the practice of forced labor.

### **Training and Awareness:**

Initial awareness training has been completed by our Procurement teams during May and June 2025. We completed our training with a third-party supplier. NAIT plans to expand training efforts in the upcoming fiscal year to ensure staff are equipped to recognize and respond to potential risks.

## Future Commitments and Recommendation.

NAIT takes pride in its commitment to provincial and federal regulations. While there are currently no specific policies targeting forced or child labor within our supply chain, a thorough risk assessment has determined that the likelihood of exposure to such practices is minimal.

To further mitigate risks and enhance compliance, NAIT has developed the following roadmap for continuous improvement:

- **Release of a Supplier Code of Ethics:** Establishing ethical guidelines for suppliers to ensure alignment with NAIT's values. FY26.
- **Enhanced Prequalification and Vendor Registration Processes:** Establishing a centralized repository to manage compliance documents, including the Supplier Code of Ethics, audit reports, surveys, and performance evaluations. This streamlined system will be integrated into NAIT's upcoming ERP implementation, scheduled for fiscal year 2027 (calendar year 2026).
- **Incorporation of Ethical Sourcing Clauses:** Adding clauses explicitly addressing forced and child labor to existing RFX templates and contract documents. FY26
- **Safety Onboarding Integration:** Including forced labor risk awareness and supplier commitments in contract safety onboarding training.
- **Expansion of the Whistleblower Line:** Making the whistleblower policy accessible to active suppliers and communicating this initiative via the NAIT website.
- **Faculty and Staff Awareness Campaign:** Educating NAIT employees on the legislation and shared responsibility to prevent labor exploitation.
- **Vendor Performance Management Implementation:** Setting up a structured evaluation system to assess supplier performance, and gain feedback on supplier's journey in their adherence to sustainable procurement and ethical sourcing principles.
- **Supplier Audits:** Conducting regular surveys and audits to assess worker welfare, particularly for strategic partners in sectors such as security, janitorial services, and food services.
- **Educational Advocacy:** Incorporating modern slavery awareness into the Supply Chain curriculum of NAIT's Business Bachelor Program.

Through these measures, NAIT aims to strengthen its supply chain oversight, promote ethical practices, and foster a culture of responsible procurement across the institution.

## Approval and Attestation

This report was approved by NAIT's Audit Committee of the Board of Governors on September 16, 2025.

In accordance with the requirement of the Act, I attest that I have reviewed the information contained in this Report for the entity listed above. Based on my knowledge and having exercised reasonable diligence, I attest that the information in this Report is true, accurate and complete in all material respects for the purposes of the Act, for the reported listed above.



Name: Laura Jo Gunter

Position: President and CEO

Date: September 26, 2025

I have the authority to bind Northern Alberta Institute of Technology.