



## Fighting Against Forced and Child Labour in Supply Chains Act

Reporting Period: January 1, 2024 to December 31, 2024

### 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 USA, with additional customer support staff in the USA. The company structure includes a President, who oversees various Managers and Supervisors of departments that include Engineering, Production, Shipping and Receiving, Quality, Procurement, 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 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 recovery and air conditioning products. We offer 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 including but not limited to compressors, motors, receivers, fan blades, electrical parts and hardware are also purchased from suppliers in Canada and the US. Our service providers are located in Canada and the US and they provide IT support, building and machine maintenance and various other services.

## Requirement (B) – Policies and Due Diligence Processes

National Refrigeration facilitates open conversations with suppliers, new and existing, regarding our stance and theirs to determine if our values align.

National will continue to screen vendors through onboarding processes.

In an effort to better contribute to the cause, National plans to post our company policy against forced and child labour on our company website. In addition to this, National plans to incorporate a reference to the policy on purchase orders issued to active vendors.

## 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 and child labour and ensures this is an active part of conversations with new and existing vendors. Additionally, National reached out to its supply base notifying them of its stance regarding this human rights matter and requested suppliers complete a 'Supplier Self Certification'. More information on supplier requirements can be found in the next section of this report.

## Requirement (D) – Remediation Measures

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.

National has solicited confirmation from their vendors through a self certification which outlines National's stance and principles in relation to the contents of this report.

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 Refrigeration.

### Requirement (E) - Remediation of Loss of Income

No actions have been taken by National in this area.

### Requirement (F) – Training

National has invested in a workshop with the National Institute of Supply Chain Leaders for the entire Procurement Department. This workshop educated the group responsible for sourcing components on the risks and responsibility involved with the role. The training included information of the history of forced and child labour, and Canada's response in comparison to other countries bonded by USMCA.

Furthermore, National provided internal training facilitated by Human Resources. This training includes the definitions of forced labour and child labour, information on the Fight Against Forced Labour and Child Labour in Supply Chains Act, as well as the Company Policy and expectations. The training was developed internally by the Human Resources Department in consultation with the Act. Individuals were given the opportunity to ask questions and demonstrate their understanding by successfully completing a quiz. Those who do not demonstrate a thorough understanding would be required to retake or review the training with a member of the HR Department. Any new employee will be required to receive the training and with either a member of the HR Department or the Procurement Manager.

National will continue to provide mandatory, internal training to staff members who work directly with the supply chain and make sourcing decisions. This includes all members of our Procurement Department, including the Department Manager.

### Requirement (G) – Assessing Effectiveness

No actions have been taken to assess our effectiveness in preventing and reducing risk of forced labour and child labour in our activities and supply chains. At this time, National commits to continue to invest in training its employees around the warning signs and importance of maintaining company values and supply chain ethics.

National will continue to develop our strategies around assessing effectiveness of implemented measures.

### 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, Vince Zolli, General Manager, have the authority to bind National Refrigeration & Air Conditioning Canada Corp.



Signature



Date