
Report - Fighting Against Forced Labor and Child Labor in Supply Chains Act

Reporting Year: January 1, 2025 – December 31, 2025

1. Introduction

This report has been prepared by Hi-Tech Seals Inc. in accordance with the requirements of the *Fighting Against Forced Labor and Child Labor in Supply Chains Act* (the “Act”) for the reporting period commencing January 1, 2025, and ending December 31, 2025.

Hi-Tech Seals Inc. is a leading manufacturer and distributor of high-quality industrial seals, gaskets, elastomers, and plastic components. The organization provides diverse sealing and engineered component solutions to industries worldwide, including energy, fluid power, agriculture, mining, automotive, and industrial manufacturing. The company operates across Canada and the United States and employs approximately 170–200 employees.

Hi-Tech Seals Inc. is committed to conducting business with integrity, transparency, and accountability while maintaining the highest standards of corporate governance and ethical business practices. The organization recognizes its responsibility to uphold human rights, promote fair labor practices, and comply with all applicable laws and regulations throughout its operations and supply chains.

The company strictly prohibits all forms of modern slavery, forced labor, child labor, human trafficking, discrimination, and other unethical employment practices within its operations and supply chains.

2. Structure, Activities, and Supply Chain

Organizational Structure

- Senior Management Team overseeing strategic operations
- Functional departments including:
 - Operations / Manufacturing
 - Technical Sales / Customer Service
 - Quality, Health, Safety and Environment (QHSE)
 - Procurement / Supply Chain
 - Human Resources
 - Accounting and Finance

Business Activities

The organization manufactures and distributes industrial sealing products and engineered components to customers across multiple industries globally.

Supply Chains

Hi-Tech Seals Inc. sources products and materials from suppliers located in various countries and regions. Supply chain mapping and supplier engagement activities are ongoing to improve visibility in upstream suppliers and areas of elevated risk.

3. Policies and Due Diligence Processes

Hi-Tech Seals Inc. is committed to preventing and reducing the risk of forced labor and child labor in its operations and supply chains.

The organization has implemented the following policies and processes:

- Code of Conduct (Ethical Sourcing Policy)
- Slavery, Human Trafficking, and Forced Labor Corporate Policy Procurement and Supplier Due Diligence Procedures (ie. Questionnaires, STRT)

The organization's due diligence framework aligns with the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Business Conduct and includes:

1. Embedding responsible business conduct into internal policies and management systems.
2. Identifying and assessing risks within operations and supply chains.
3. Preventing and mitigating adverse impacts.
4. Monitoring and tracking corrective actions.
5. Communicating results and expectations to stakeholders.

Supplier Due Diligence Activities

- Supplier questionnaires include ISO compliance, and clauses for forced and child labor and protecting human rights.
- Annual risk-based onsite visits; 13 completed in 2025.
- Supplier Code of Conduct - In 2025, signed Codes of Conduct were obtained covering 82% of Hi-Tech Seals' total procurement spend.

4. Forced Labor and Child Labor Risks

Hi-Tech Seals recognizes that risks of forced labor and child labor may exist within global supply chains, particularly in sectors and regions associated with elevated labor rights risks.

Potential Risk Areas

- Suppliers operating in high-risk jurisdictions
- Labor-intensive manufacturing processes
- Use of subcontractors or temporary labor agencies

Risk Identification Methods

- Supply chain mapping
- Country and sector risk analysis
- Supplier questionnaires
- Third-party audits
- Publicly available risk indices and reports
- Engagement with industry groups and stakeholders

Risk Assessment and Mitigation Measures

- Request corrective action plans if concerns are identified
- Increased oversight for higher-risk suppliers (site visit)

As of the reporting period, Hi-Tech Seals Inc. has not identified any confirmed instances of forced labor or child labor within its operations or supply chains.

5. Remediation Measures

Where concerns or potential non-compliance issues are identified, the organization may implement remediation measures including:

- Supplier corrective action plans
- Enhanced supplier monitoring
- Suspension or termination of supplier relationships
- Referral to appropriate authorities or remediation partners

6. Remediation of Loss of Income

Hi-Tech Seals Inc. recognizes that actions taken to eliminate forced labor or child labor may unintentionally impact vulnerable workers and families.

Where appropriate, the organization may work with suppliers and partners to:



- Support responsible remediation processes
- Minimize adverse impacts on workers
- Facilitate access to support services
- Encourage continued access to lawful income opportunities

As of the 2025 reporting period, no remediation measures relating to loss of income were implemented because no incidents or risks were identified with current suppliers based on site visits.

7. Training

The organization provides training and awareness programs related to forced and child labor for relevant employees and stakeholders.

Training Topics

- Human rights awareness
- Ethical sourcing practices
- Supplier due diligence expectations
- Identifying indicators of forced labor and child labor
- Reporting and escalation procedures

Applicable Personnel

- Supply chain management personnel.

Training Delivery Methods

- On-line facilitated training through Supply Chain Management Canada-person training: 10 employees have been trained in 2025.

Training content is reviewed periodically and updated as required to reflect evolving regulatory requirements and risk environments.

8. Assessing Effectiveness

The organization assesses the effectiveness of its actions through ongoing monitoring and review processes.

Assessment Activities

- Review of policies and procedures in accordance with the “Document Control Policy”
- Suppliers visit results and presentations to management
- Monitoring supplier compliance (ie. code of conduct signatures)
- Corrective Action Reports



- Measuring employee training completion rates

The organization aims to continuously improve its approach through:

- Enhanced supply chain visibility
- Increased supplier engagement
- Updated risk assessment methodologies
- Continuous policy and training improvements

9. Objectives (2026)

- Conducted supplier risk assessments
- Audits planned for the 2026 reporting year
- Formalize metrics for supplier code of conduct in the year 2026
- Formalize and track policy communications across Hi-Tech Seals for 2026

10. Attestation

In accordance with the *Fighting Against Forced Labor and Child Labor in Supply Chains Act* (the “Act”), and in particular section 11 thereof, 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 reporting period identified above.

**Dustin Jackson**

President | Hi-Tech Seals

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