

JVCKENWOOD CANADA INC.

Annual Report – Prepared pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“**the Act**”) – Financial Year 2023-24

INTRODUCTION

This report is filed by JVCKENWOOD Canada Inc. (“**JKCA**” or the “**Company**”) for the financial year ending March 31, 2024 (the “**Reporting Period**”). The report sets out the steps that the Company has taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the Company or of goods imported into Canada by the Company. The report also includes supplementary information as is required under the Act.

STEPS TAKEN TO PREVENT AND REDUCE FORCED AND CHILD LABOUR RISK

JKCA, and its parent company JVCKENWOOD Corporation (“**JKC**”), are committed to the highest standards of business conduct and expect the same from their suppliers. During the Reporting Period JKCA or JKC, on behalf of group companies including JKCA, took the following steps to prevent and reduce forced and child labour risk in their production and importation supply chains:

- JKC and JKCA required employees to complete training on group policies, which cover human rights.
- JKC applied group due diligence processes and policies in its procurement activities.
- JKC conducted its annual risk surveillance at all business sites that give rise to human rights risk.
- JKC included provisions in contracts prohibiting suppliers from using forced or child labour.

STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

JKCA is incorporated under the *Canada Business Corporations Act* and has its principal place of business at 6685 Millcreek Drive, Unit 8, Mississauga, ON. JKCA is a wholly owned subsidiary of JVCKENWOOD USA Corporation, and is ultimately owned by JKC, a Japanese company listed on the Tokyo stock exchange. JKC is the worldwide manufacturer and distributor of JVCKENWOOD products.

JKCA is the distributor of JVCKENWOOD products in Canada. Its products include both consumer and professional electronics such as car electronics, land mobile radios, projectors, and headphones. JKCA imports these products from affiliated companies, primarily in Asia and Europe, for sale in the Canadian market.

As the Canadian subsidiary of JKC that is engaged in the distribution of group products in Canada, JKCA's supply chain is primarily overseen and administered at the group level. JKC produces electronics at its factories located in countries including Malaysia, Thailand, and Indonesia, procuring inputs for these factories in accordance with group policies and due diligence processes.

PROCESSES & DUE DILIGENCE POLICIES

As part of the JVCKENWOOD Group, the following group policies and due diligence processes apply to all group entities, including JKCA and its supply chain. Collectively, these policies represent the JVCKENWOOD Group's commitment to developing a supply chain that is free of forced and child labour and that upholds its commitment to human rights and sustainable procurement.

Group Compliance Code of Conduct

The [JVCKENWOOD Group Compliance Code of Conduct](#) has been promulgated among all executives and employees within the Group through pamphlets and an Intranet site. The Code of Conduct requires all persons in the group to comply with all applicable laws, including those prohibiting forced and child labour, to report any violations of laws or policies, and to act without delay to resolve any such issues.

JVCKENWOOD CSR Procurement Guidelines

The JVCKENWOOD Group embraces the UN's Universal Declaration of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, insisting on respect for basic human rights all through its supply chains. These values are reflected in the [JVCKENWOOD CSR Procurement Guidelines](#), which provides rules and principles that apply to all procurements by group companies. The CSR Procurement Guidelines explicitly prohibit the use of forced and child labour by suppliers.

JVCKENWOOD Group Procurement Policy

The [JVCKENWOOD Group Procurement Policy](#) outlines basic concepts for procurement within the group. The Policy specifically prohibits the use of forced and child labour in its supply chain and requires compliance with applicable laws, and the establishment of appropriate wages and working hours. These requirements are incorporated into contracts with suppliers.

JVCKENWOOD Group Human Rights Policy

The JVCKENWOOD Group respects the human rights of all stakeholders. The [JVCKENWOOD Group Human Rights Policy](#) clearly expresses the group's commitment to respecting human rights, including its opposition to the use of forced and child labour. This policy applies to group officers and employees, and all external partners in the value chain, including business partners and suppliers that may have an impact through JKC businesses are also asked to comply with the Policy. This policy includes specific prohibitions on forced and child labour,

Human Rights Hotline

The JVCKENWOOD Group maintains a whistleblower system that enables employees to report on possible violations of any law or group policy, including those prohibiting the use of forced and child labour.

Supplier Evaluation & Engagement

The JVCKENWOOD Group implements supplier continuous evaluations and follow-ups in order to identify risks in its supply chain. It uses evaluation results as one of the factors in selecting new suppliers and in determining whether or not to

continue doing business with suppliers. It also uses supplier site audits as is needed to ensure compliance.

Human Rights Due Diligence Process

The JVCKENWOOD Group strives to identify, prevent, and mitigate adverse impacts on human rights by carrying out human rights due diligence in the course of its business operations in line with the commitment outlined in the JVCKENWOOD Group Human Rights Policy. In connection with these goals, JKC has developed a comprehensive due diligence process which involves the following steps:

1. Identify, analyze, and assess adverse human rights impacts through a risk surveillance process specific to human rights conducted by the Legal & Compliance Office, annual self-assessment questionnaires (SAQ) for suppliers conducted by the Procurement Department, and periodic safety patrols conducted by the Safety and Health Committee. The priority risks to be addressed are then identified, and outstanding human rights issues specific to the Group are identified at the Enterprise Risk Management Conference.
2. Each department manager is responsible for preventing and reducing potential adverse impacts and implementing corrective actions to deal with any adverse impacts that may arise.
3. Monitor risk mitigation measures and corrective actions at set interim monitoring and final review timings as well as during annual risk surveillance processes and SAQs.
4. Disclose information on the progress of initiatives to external stakeholders.

FORCED LABOUR AND CHILD LABOUR RISKS

JKCA is engaged in the distribution of JKC products within Canada and therefore the risk of forced and child labour in its distribution activities is low. JKCA principally buys from related parties in the JVCKENWOOD Group. As a company engaged in global manufacturing, JKC recognizes the need to consider a wide range of human rights issues. It considers not only the human rights of its own employees, but also the human rights of local residents who may be affected through its business activities, and human rights in its supply chain.

As an electronics manufacturing and distributing company JKC recognizes that there is a risk of forced and child labour further down its supply chain in both manufacturing operations and in the procurement supply chains of raw materials for the inputs. To minimize the risk of forced and child labour, JKC has developed and implemented the policies and due diligence processes described elsewhere in this reports. These processes and policies ensure that JVCKENWOOD Group companies only work with suppliers who share the group's commitment to a sustainable value chain free of forced and child labour risk. JKC is continually working to assess and minimize the risk of forced and child labour in its supply chain.

REMEDIATION MEASURES

JKCA is not aware of any incidents of forced or child labour in its supply chain and therefore the issue of remediation is not applicable.

REMEDIATION OF LOSS OF INCOME

JKCA is not aware of any loss of income to families resulting from any measures taken to eliminate the use of forced or child labour in its supply chains and therefore the issue of remediation is not applicable.

TRAINING

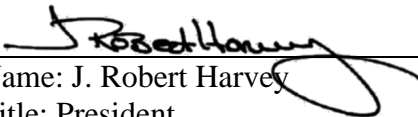
JKCA does not provide specific training on forced and child labour to its employees. However, the JVCKENWOOD Corporation requires all employees to complete Human Rights e-Learning in order to understand human rights initiatives based on the JVCKENWOOD Group Compliance Code of Conduct, which addresses forced and child labour.

ASSESSING EFFECTIVENESS

JKCA does not undertake any specific measures to track its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains. However, JKC on behalf of the JVCKENWOOD Group is continually reviewing and updating policies and processes policies in an effort to ensure that its supply chain advances human rights and is free of forced and child labour.

APPROVAL & ATTESTATION

This report is approved and attested as required under paragraph 11(4)(a) and subsection 11(5) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*.

Per: 
Name: J. Robert Harvey
Title: President
Date: June 5, 2024

I have the authority to bind JVCKENWOOD Canada Inc.