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***Fighting Against Forced Labour and
Child Labour in Supply Chains Act
2025 Report***

May 2026

Introduction

This report (the “**Report**”), in respect of the financial year ended December 31, 2025, has been prepared jointly by Enercare Inc. and its subsidiaries set out below, which are reporting entities, as defined under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, S.C. 2023, c.9 (the “**Act**”):

1. Enercare Inc.;
2. Enercare Home and Commercial Services Inc.; and
3. Enercare Home and Commercial Services Limited Partnership.

hereinafter collectively referred to as “**Enercare**”.

As the trusted home services provider to over one million Canadians, Enercare recognizes its important role in helping to identify, prevent and assess the risk of forced labour and child labour in its business activities and supply chains. Enercare is committed to respecting the human rights of people involved in its business activities and supply chains and will aim to be a positive force for change in the fight against forced labour and child labour.

Structure, Activities and Supply Chains

Enercare Inc. is incorporated under the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44. Enercare Inc. has multiple Canadian subsidiaries, including Enercare Home and Commercial Services Inc. and Enercare Home and Commercial Services Limited Partnership. Enercare Inc.’s head office is located in Markham, Ontario, Canada. Enercare provides heating, cooling, plumbing, electrical, and water heating and treatment and related products and services to its customers located across Canada, including in Ontario, Quebec, Alberta, Manitoba, Saskatchewan, British Columbia and New Brunswick.

Enercare sells water heating, heating, ventilation and air conditioning (“**HVAC**”) and other similar goods in Canada. Enercare does not produce the goods that it sells. Enercare is not importer of record for the majority of the goods that it sells. Enercare also provides repair, maintenance, installation, replacement and other similar services relating to water heaters and HVAC equipment and other similar goods to residential and commercial customers across Canada.

Enercare works with third party suppliers to support key parts of its business activities, including to provide equipment and parts, customer service, installation or other technical services, finance and information technology services. These third party suppliers have operations and significant supply chain activities in Canada, as well as the United States, China, Colombia, Costa Rica, India, Jamaica, Japan, Mexico, Philippines, South Korea, Trinidad and Tobago.

Policies and Due Diligence Processes

Code of Business Conduct and Ethics and Vendor Code of Conduct

Enercare is committed to conducting business in an ethical and responsible manner, including by carrying out its activities in a manner that respects and supports the protection of human rights. Enercare’s *Code of Business Conduct and Ethics* (the “**Code**”) explicitly prohibits forced labour

and child labour. In addition to applying to its directors, officers and employees, Enercare strives to embed the requirements of the Code into all of its core business activities, including a requirement to adhere to the Code in many of its key supplier contracts.

Enercare's *Vendor Code of Conduct* (the "**Vendor Code**") requires its vendors to, among other things, have responsible labour practices, maintain a clean, safe and healthy working environment, and comply with all applicable legal and regulatory requirements. Enercare strives to include a requirement to adhere to its Vendor Code in its key supplier contracts.

Reporting Procedure and Non-Retaliation

In accordance with the Code, Vendor Code, and Enercare Inc.'s *Whistleblower Policy*, Enercare encourages the reporting of concerns about malpractice or impropriety, which includes a violation of the Code. Enercare prohibits retaliation against anyone who reports suspected violations of the Code or any law or regulation. Enercare has provided multiple options to report any such breaches, including to:

- an employee's manager;
- Enercare Inc.'s President and Chief Executive Officer, or Chief People and Legal Officer; or
- the confidential Whistleblower Reporting Hotline that is operated by a third party provider.

There were no reports received relating to forced labour or child labour in its business activities or supply chains in 2025.

Due Diligence Process and Contractual Protections

Enercare currently has a due diligence process for screening its suppliers. The process includes reviewing, as applicable, financial information, technical capabilities, licensing documentation, and processes required under Enercare Inc.'s *Anti-bribery and Corruption Policy*. Enercare is continuing to assess its due diligence process to specifically address forced labour and child labour risks for suppliers that pose a higher risk of forced labour or child labour in accordance with Enercare's annual risk assessment described below.

In addition to its due diligence process, Enercare's standard form agreements typically include a requirement that the applicable counterparty comply with applicable laws and Enercare policies, including the Vendor Code.

Assessment and Management of Risk of Forced Labour and Child Labour

Risk Assessment

a. Annual Assessment

Energcare completed an annual risk assessment in 2025, based on an internally developed risk assessment framework regarding forced labour and child labour. The assessment focussed on the following areas:

- identification of potentially higher risk areas (see the section below on Country and Sector Risks);
- company policies;
- supply chain management policies and contracts;
- due diligence activities;
- training; and
- reporting and internal accountability.

b. Country and Sector Risks

The annual risk assessment included the identification of potentially higher forced labour and child labour risk areas in Energcare's business activities and supply chains, which was based on country and sector risk.

Country risk was assessed based on *The Global Slavery Index 2023*¹. Countries with a score of 50 or higher were deemed to be potentially higher risk. The result of the assessment indicated that Energcare's supply chain includes four (4) high risk countries with a 2023 Global Slavery Index score of 50 or higher: Colombia, India, Mexico and Philippines. In 2025, Energcare reduced the number of high risk countries in its supply chain by two (2) countries.

To assess sector risks, Energcare referenced a number of sources, including *Global Estimate of Modern Slavery: Forced Labour and Forced Marriage*², and *North Korean Sanctions & Enforcement Actions Advisory*³, to compile a list of sectors with potentially higher risk of forced

¹ Walk Free. (2023). *The Global Slavery Index 2023*. Minderoo Foundation Limited.

<https://cdn.walkfree.org/content/uploads/2023/05/17114737/Global-Slavery-Index-2023.pdf>
Walk Free. (2023). *The Global Slavery Index: Vulnerability*. https://www.walkfree.org/global-slavery-index/map/?_gl=1*199opc*_*_ga*MTc3MzkyODM2OC4xNzE1MDkyODcy*_ga_BLJ2LCP865*MTcxNTA5Mjg3Mi4xLjAuMTcxNTA5Mjg3Mi42MC4wLjI3MjM0NjM0MA..#mode=data:dimension=v

² International Labour Organization, Walk Free, International Organization for Migration. (2022). *Global Estimates of Modern Slavery Forced Labour and Forced Marriage*. <https://www.ilo.org/media/370821/download>

³ United States Department of the Treasury, Department of State, Department of Homeland Security. (2018). *North Korea Sanctions & Enforcement Actions Advisory: Risks for Businesses with Supply Chain Links to North Korea* <https://www.cbp.gov/sites/default/files/assets/documents/2018-Aug/North%20Korea%20Sanctions%20%20Enforcement%20Actions%20Advisory.pdf>.

labour and/or child labour. As a result of the sector risk analysis, Enercare identified five (5) higher risk sectors within its business activities and supply chains: construction, electronics manufacturing, information technology services and software, manufacturing, and wholesale and trade.

Based on the results of the annual risk assessment, Enercare identified areas of its supply chain activities that potentially pose a higher risk of forced labour and child labour, based on country and sector risk. Enercare will continue to monitor these higher risk areas and assess the implementation of additional measures to mitigate those risks, as appropriate. The results of the 2025 annual risk assessment (and future annual assessments) will also serve as the basis for continuous improvement and mitigation action planning for future years as appropriate.

Remediation Measures

Enercare has not identified any forced labour or child labour in its business activities or supply chains and has thus not identified any loss of income to vulnerable families resulting from measures taken by Enercare to eliminate the use of forced labour or child labour in its business activities or supply chains. Accordingly, no remediation measures were implemented in 2025.

Looking forward, Enercare will continue to strive to address any future issues of forced labour and/or child labour that may be identified in its business activities or supply chains.

Training Program for Employees on Forced Labour and Child Labour

Enercare employees are required to complete an annual attestation that the employee has reviewed and agrees to continue to abide by Enercare policies, including the *Code of Business Conduct and Ethics*, which explicitly prohibits forced labour and child labour in carrying out business activities. In addition, Enercare has training on anti-forced labour and anti-child labour which is available to employees.

Assessment of Effectiveness in Ensuring Forced Labour and Child Labour are Not a Part of Business Activities and Supply Chains

Enercare has effective policies and due diligence processes in place to govern its business activities and relationships with its suppliers. Enercare also has a reporting hotline operated by a third party, to enable the reporting of any concerns, including relating to forced labour and child labour. Given the nature of its business, Enercare has not identified forced labour and child labour as a significant risk to date.


Looking forward, Enercare will continue to assess the adequacy of its processes and consider developing additional safeguards, as appropriate, to further bolster its efforts to ensure forced labour and child labour are not part of its business activities and supply chains. Enercare

continues to explore the implementation of applicable key performance indicators to support future assessments of the effectiveness of its efforts.

Approval and Attestation

This Report was approved pursuant to section 11(4)(b)(ii) of the Act by the Board of Directors of Enercare Inc.

ENERCARE INC.

A handwritten signature in black ink, appearing to read 'Murski', written in a cursive style.

Mark Murski, on behalf of the Board of Directors of Enercare Inc.

May 29, 2026