

JAM Industries Ltd.

Forced and Child Labour Report for the financial year ended 31 March 2025

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2. Introduction

JAM Industries Ltd. (referred to as JAM, we, us, or our) is a leading global distributor serving the musical instrument, professional audio, sound and lighting, and consumer electronics markets.

This consolidated report is submitted on behalf of JAM and its subsidiary companies in accordance with Section 11 of Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act. The reporting obligation applies to us due to the location of our corporate headquarters in Canada and our consolidated revenue.

This report outlines key components of our Third-Party Risk Management program, which includes our approach to human rights. Our program is continuously evolving as we work to align with industry best practices and strengthen our efforts in responsible sourcing.

For more information about JAM, please visit <https://jamindustries.com>.

JAM recognises the ever-present risk of human rights violations with suppliers and others in our supply chain. We respect human rights and oppose all forms of modern slavery (including but not limited to forced labour, child labour and human trafficking). We are committed to ensuring that we have adequate policies and procedures in place to identify and prevent these practices.

3. Structure, Activities and Supply Chain

Structure & Activities

JAM is a Canadian-headquartered company established in 1972. It consists of several subsidiary businesses operating across North America and is a wholly owned subsidiary of DCC Plc, a FTSE 100 company based in Ireland. The company's corporate headquarters are located in Montreal, Quebec, with additional offices and warehousing facilities across the continent.

JAM operates as a distributor in three primary market segments: Musical Instruments, Consumer Electronics, and Professional Audio, Lighting & Commercial Sound. Across these sectors, JAM employs approximately 700 people. Due to the nature and geographic distribution of our operations, the majority of our workforce comprises skilled, locally based individuals who are hired directly through our internal Human Resources team. Fewer than 5% of employees are engaged through well-established third-party recruitment agencies with whom JAM maintains long-standing contractual relationships.

JAM does not engage in the manufacturing of products. Most of the items we distribute are third-party branded. Approximately 8% of our total product offerings are white-label, own-brand products sourced from and manufactured by selected third-party partners.

Supply Chain

JAM's supply chain is extensive and complex, involving approximately 1,000 suppliers globally. As a distributor of finished goods, JAM has limited direct visibility into the upstream supply chains of its suppliers.

A portion of our products are sourced from countries and industry sectors known to carry a higher risk of forced labor. These include regions and product categories identified in global human rights and labor risk indices as having elevated exposure to exploitative labor practices, such as China.

While JAM does not have direct relationships with all tiers of the supply chain, we recognize the importance of responsible sourcing and are committed to increasing transparency and due diligence in this challenging area.

4. Policies

Code of Conduct

JAM is committed to ethical and fair practices across its operations and supply chains, including preventing slavery and human trafficking. More details are available at

<https://www.dcc.ie/sustainability/business-conduct#:~:text=DCC%20has%20a%20detailed%20Anti,other%20form%20of%20corrupt%20practice.>

Human Rights Policy

JAM upholds international human rights standards, addressing issues such as forced and child labour, and unsafe working conditions. Human rights risks are assessed through our Third-Party Risk Management framework. More information is available at

<https://www.dcc.ie/sustainability/business-conduct#:~:text=DCC%20has%20a%20detailed%20Anti,other%20form%20of%20corrupt%20practice.>

Supplier Code of Practice

JAM requires its suppliers to meet ethical and legal standards, including those related to employment and human rights. Details can be found at: [Supplier Code of Practice](#).

Whistleblowing

Employees and non-employees are encouraged and supported in reporting unethical or illegal activities, including policy violations and human rights breaches. Reports can be made anonymously, are investigated, and are protected by a strict non-retaliation policy. A 24/7 multilingual independent reporting service is also available.

5. Due Diligence and Assessing and Managing Risk

To effectively assess and detect risks and practices related to forced and child labour, JAM follows internationally recognised benchmark standards, including the UN Guiding Principles on Business and Human Rights. This ensures that JAM's approach is aligned with globally accepted human rights frameworks and demonstrates a strong commitment to ethical business practices.

Key activities include:

Ongoing Due Diligence Across the Supply Chain

JAM conducts continuous monitoring and evaluation of its direct supply chain to identify potential risks related to forced and child labour.

Comprehensive Supplier Onboarding Process

To systematically manage risk – including but not limited to environmental, social, and governance (ESG) risks, particularly forced and child labour, JAM has developed a robust onboarding procedure for all new suppliers. This process includes:

- **Supplier Risk Assessments:** Evaluating suppliers based on various criteria including labour practices and compliance.
- **Product Risk Assessments:** Analysing the risk profiles of products to identify areas vulnerable to unethical labour practices.
- **Risk-Based Factory Auditing:** Using assessment outcomes to prioritize and schedule audits focused on factories with higher risks.
- **Supply Chain Mapping:** risk-based supply chain mapping to identify Tier 2 and Tier 3 suppliers where possible

Collaboration with Industry-Recognised Third-Party Providers

JAM partners with specialised organisations that provide expert due diligence and advanced forced labour risk solutions, such as Kharon, Kroll and Descartes Visual Compliance.

Partnerships for Social, Ethical, and Transparency Audits

In addition to due diligence, JAM has engaged with carefully selected firms to perform independent physical audits with required focus on:

- Social compliance
- Ethical labour practices
- Transparency in operations and reporting

6. Training

Our compliance training framework ensures that our employees receive training on compliance risks that are relevant to their roles. Both online and face-to-face training is provided depending on the subject matter being covered. Employees have received Code of Conduct training and specific Modern Slavery training during this reporting period.

7. Ongoing Effectiveness

We will continue to assess the effectiveness of our actions over the course of the next reporting period by tracking the progress of existing controls and through taking the following steps, among others, to enhance our procedures in order to further address the risk of modern slavery;

- Continue to provide face to face suitable training to our employee base;
- Continued assessment and reassessment of new and existing suppliers;
- Continue to explore supply chain diversification and increase sourcing from countries and regions with lower associated risk

8. Board Approval and attestation.

This statement was approved by the Board of JAM Industries Ltd. on June 11, 2025, with sincere and respectful apology for the late submission.

Stuart Frenkel

Chief Executive Officer, JAM Industries Ltd.