



FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAIN ACT ("the ACT")

2024

PREPARED BY

TransCanada Turbines Ltd.

REPORT SUBMITTED TO THE GOVERNMENT OF CANADA | May 31, 2025

REPORTING OVERVIEW

This TransCanada Turbines Ltd., 2024 Report (“Report”) is presented in compliance with the reporting requirements stipulated under the Fighting Against Forced Labour and Child Labour in Supply Chain Act (“the Act”). TransCanada Turbines Ltd. (“TCT”) acknowledges the occurrence of forced labour and child labour within businesses and recognizes its exposure to the risk of use of forced labour or child labour in any phase of production of goods and delivery of services, whether in Canada or elsewhere, particularly in goods imported into Canada from other countries.

As a leading gas turbine maintenance, repair and overhaul company based in Canada with a diverse international clientele, TCT places a high value on upholding and promoting the human rights and dignity of all individuals across TCT’s operations and supply chains. This commitment is based on TCT’s core values that every individual has the right to be treated with dignity and respect. This Report articulates the measures undertaken by TCT during the 2024 fiscal year to mitigate the risk of forced labour, modern slavery and preventing child labour within its expansive supply chain.

ABOUT TCT

TCT is a Canadian-based company, incorporated in the Province of Alberta, Canada (Corporate No, 20751530). TCT is headquartered and principally located in Airdrie, Alberta, Canada. TCT is an Original Equipment Manufacturer (“OEM”) authorized independent overhaul and repair maintenance service provider for select models of Siemens Energy and General Electric, aero-derivative industrial gas turbines used in pipeline compression and power generation on a worldwide basis.

This Report is a joint report with TransCanada Turbines Ltd. and its subsidiary companies TransCanada Turbines, Inc.; TransCanada Turbines (UK) Limited; and TransCanada Turbines Australia Pty Limited. TCT is committed to operating with the utmost diligence and integrity regarding all laws and includes TCT’s commitment not to, in any way, engage in, authorize or endorse any actions involving forced labour, modern slavery and/or child labour.

ACTIVITIES BY LOCATION

CANADA (AIRDRIE, ALBERTA)

TCT's Gas turbine repair and maintenance service involves utilizing replacement parts acquired from OEM, repairing individual turbine components at OEM-owned or licensed aerospace repair facilities. The Canadian based Field Service team provides support to local and international customers by conducting troubleshooting, scheduled maintenance, and handling the removal and installation of equipment at customer premises located around the world.

UNITED STATES (Bakersfield, California, Tomball, Texas, Syracuse, New York) UNITED KINGDOM (Glasgow)

TCT conducts minor repair tasks for Gas turbines at these branches which involves the use of components and modules obtained directly from the respective OEMs or internally from the main depot in Canada. Field Service technicians from the branches primarily operate at customer sites. Customers can purchase replacement parts and repairs for their turbine-owned accessories and ancillary equipment to support daily operations. These components and services are mainly sourced from OEMs, their authorized distributors, or North American suppliers and for United Kingdom, European supplier.

AUSTRALIA

TCT does not own or operate any physical locations in Australia, but a field service representative based in Perth provides support for onsite Field Service Activities in the region. Significant works (primarily repairs and overhauls) are sent to TCT's main depot in Airdrie, while replacement parts required are supplied from TCT's facilities in the UK and USA.

ORIGINAL EQUIPMENT MANUFACTURERS

With regards to the OEMs, General Electric manages their employees and operations through the application of the Human Right Statement of Principle at [GE Human Rights](#) and as a signatory to the UN Global Compact, their supply chain is managed in the GE Supplier Responsibility Governance (SRG) Program. This program includes an initial due diligence for new suppliers and then followed up with active on site audits and ongoing monitoring as detailed at [Ethical Supply Chain](#). Siemens Energy fully supports the Modern Slavery Act 2015 and is committed to operating a zero-tolerance approach to forced labour, slavery and human trafficking in any form. The details of their policies and protocols are provided by [Siemens Energy Modern Slavery](#).

CANADIAN IMPORTS

The vast majority of the 2,674 group imports into Canada consist of replacement parts procured from the two OEMs, the return of turbine components dispatched to the OEM-authorized repair network, and the shipment of customer turbines for repair and overhaul.

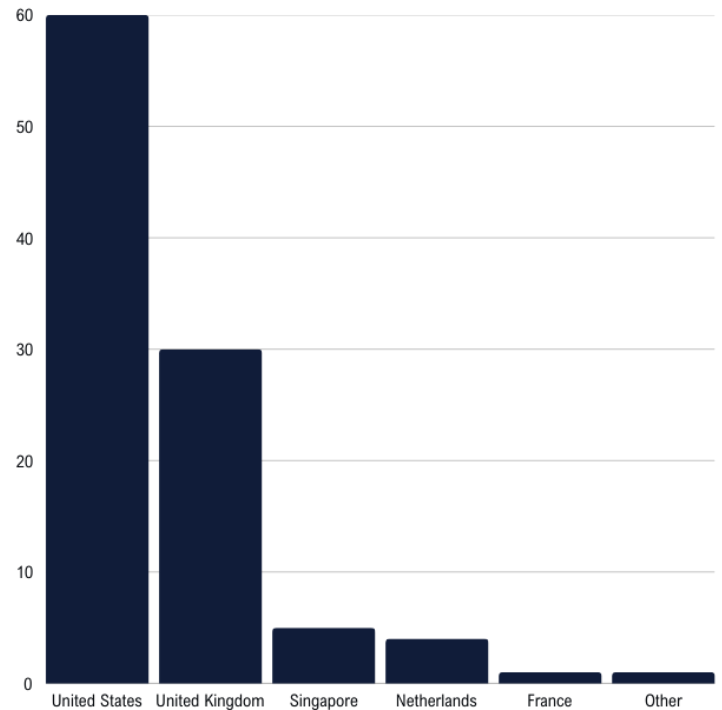
Additionally, other items include IT equipment and maintenance spare parts for TCT-owned capital equipment and buildings used during production activities (such as tooling, balance machines, air conditioning units, machine tools, and specialized repair equipment).

The distribution of Canadian imports in 2024, sourced from Canada Border Service Agency (“CBSA”) data (figure 1.1) is detailed below by the number of imports and the respective exporting countries:

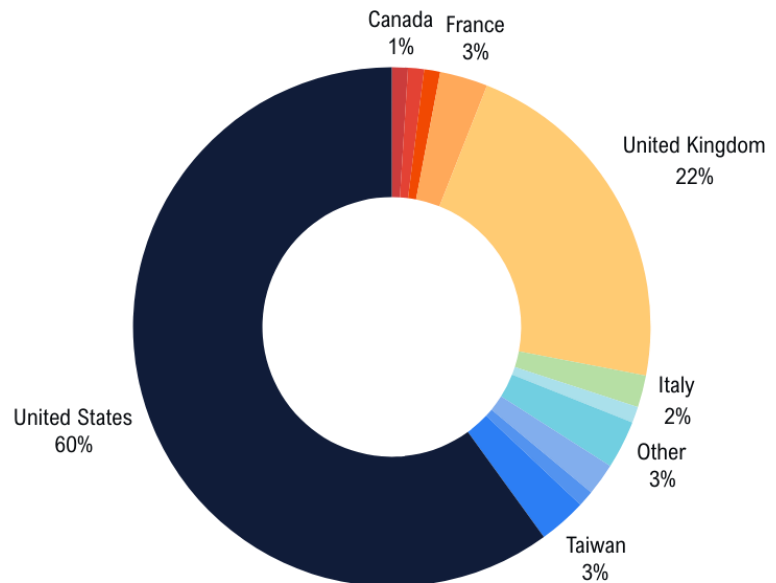
- United States – 60%
- United Kingdom – 30%
- Singapore 5%
- Netherlands – 4%
- France – 1%
- Others – 1%

The country of origin of the goods imported into Canada (figure 1.2) during 2024 are broken down below:

- United States – 60%
- United Kingdom – 22%
- France – 3%
- Italy – 2%
- Germany – 1%
- Canada – 1%
- Mexico – 1%
- China – 1%
- Turkey – 1%



1.1 Figure: 2024 Canadian Imports (source CBSA 2024)



1.2 Figure: Origin of Goods imported into Canada

- Taiwan – 3%
- Singapore – 1%
- Others (22 less than .5%) - 4%

UNITED STATES IMPORTS

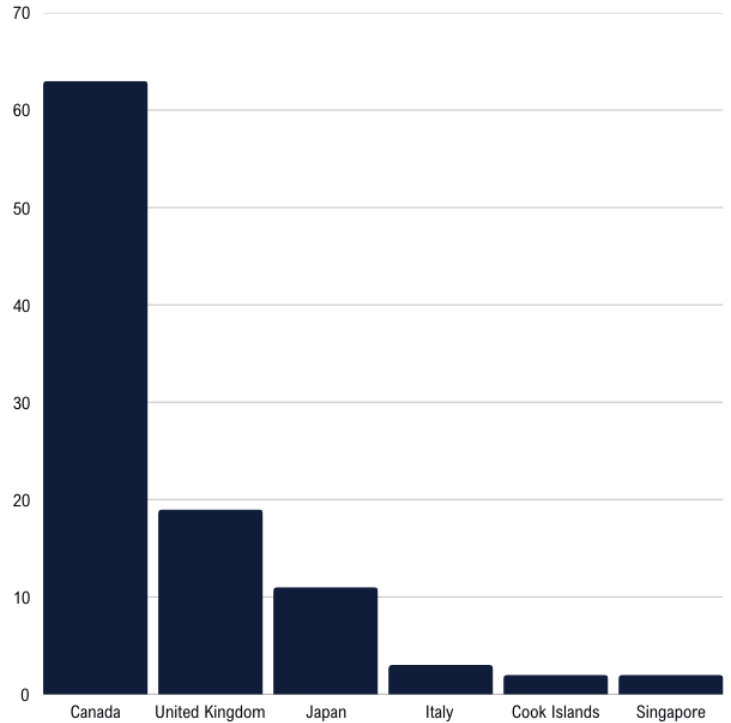
TCT's US branches have a notably reduced import activity, with only 63 transactions documented by the US Customs and Border Protection. Majority of these transactions involve customer-owned goods transported to the US for repair and subsequent return, OEM components sourced from TCT's Canadian depot to facilitate field service or part sale endeavors, and replacement parts intended for client sales. Additionally, some shipments represent intercompany document transfers and IT equipment.

These activities are broken down by the exporting country as outlined below:

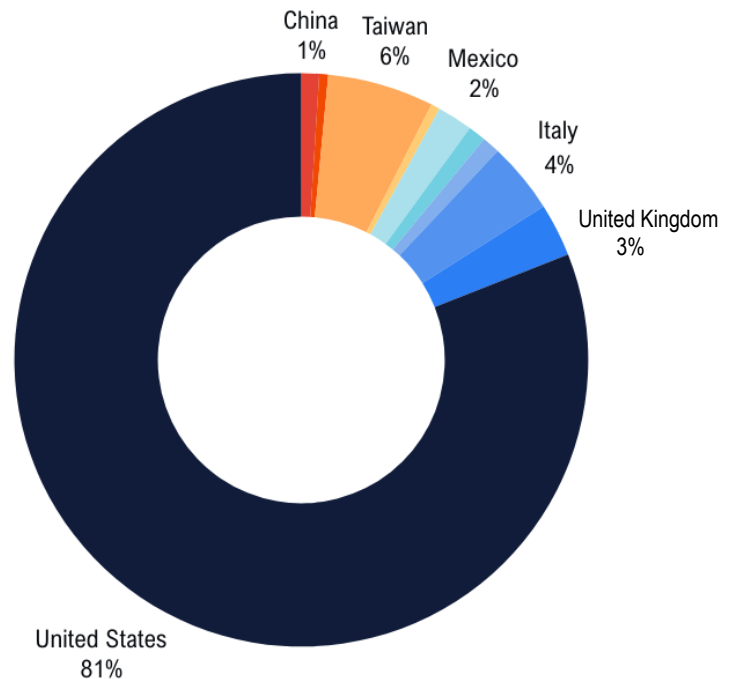
- Canada – 63%
- United Kingdom – 19%
- Japan – 11%
- Italy – 3%
- Cook Islands – 2%
- Singapore – 2%

The country of origin for these goods is demonstrated below:

- United States – 81%
- United Kingdom – 3%
- Italy – 4%
- China – 1%
- Mexico – 2%
- Taiwan – 6%
- Singapore – 1%
- Turkey – 1%
- Japan – 1%
- Switzerland – 1%



2.1 Figure: 2024 USA Imports (source USA 2024)



2.2 Figure: Origin of Goods imported into USA

GLOBAL SUPPLY CHAIN MANAGEMENT

TCT manages its global supply chain from the central depot and corporate headquarters in Airdrie, Alberta, Canada. The Director of Production Support, reporting to the Vice President Operations, oversees the overall management of the supply chain. The TransCanada Turbines Executive Management team is supported by the Commercial team as well as the Supply Chain team in overseeing the risks of forced labour, modern slavery and child labour.

In 2024, TCT enhanced its supply chain management by introducing a new Senior Procurement Specialist position to add extensive experience to the hands-on leadership of the Supply Chain.

The existing supply chain management structure comprises two main teams at the depot and smaller functionalities at the branch level:

- Depot Procurement Team: Responsible for purchasing all goods and non-technical services to support Canadian-based operations, including supply chain mapping and management functions.
- Depot Repair Vendor Management Team: Focuses on procuring technical repair services from the OEM repair vendor network to support the repair and overhaul of gas turbines and ancillary components.
- Tomball, Bakersfield, and Syracuse Branch: A Procurement specialist was introduced in 2024 in Houston to centralize the procurement of technical goods and services for US facilities. Non-technical purchasing remains low volume and dispersed through each branch's Part Sales representatives and branch administrators, working with approvals from each branch manager.
- United Kingdom Branch: In this location, low volume supply chain activities are completed. Technical goods are procured by Part Sales Representatives, technical repair services through the facility Project Engineer/Part Sales, and non-technical goods and services through the branch administrator under approval from the branch manager.
- TransCanada Turbines currently monitors forced labour, modern slavery and child labour compliance using TCT's internal manual processes and procedures using TCT's Supplier Code of Conduct to evaluate suppliers and vendors policies. In addition, TCT conducts forced labour, modern slavery and child labour audits with suppliers requesting the supplier to complete a Request for Information (RFI) from organizations regarding their company's Forced Labour, Modern Slavery and Child Labour policies and procedures. These audits are performed annually.

PROCUREMENT

Procurement activities driving almost all of TCT's annual revenue/operations are primarily conducted directly through the two OEMs, General Electric and Siemens Energy, or their authorized networks, serving as TCT's tier 1 suppliers. Due to the proprietary nature of their products, the supply chains of these OEMs are not disclosed to the industry. TCT receives data on the country of origin and Harmonized System (HS) codes, as developed by the World Customs Organization, for goods purchased, collected from commercial invoices and maintained in TCT's Logistics and Shipping System database.

Both General Electric and Siemens Energy are global multinational corporations with strong commitments to preventing forced labour and adherence to strict ethical and compliance policies. Although a small percentage of their products are sourced from higher-risk locations (China, Indonesia, Vietnam, Thailand, Romania to name a few), TCT relies on the OEM's robust policies, procedures, and commitment to international law to ensure they are not supporting forced or child labour.

The remaining goods and services procured through TCT's supply chain support the day-to-day operations of the facilities, including tooling, equipment, and staff employment.

POLICIES & PROCEDURES

TCT has an established Supplier Code of Conduct (the "Code") to complement the TCT Business Ethics Policy (the "Policy"). The Code provides clear expectations for how TCT's suppliers must conduct their business if they wish to remain as a supplier. The Code covers the following areas of conduct:

- Safe workplace
- Diversity, inclusion, and equity
- Protection of Human Rights (including Forced Labour and Child Labour) Ethics integrity and compliance to international law
- Bribery and corruption
- Privacy, confidentiality, and information security

The Code and Policy outlines how to report any breaches and is incorporated in TCT's standard terms and conditions.

TCT completed its new Supplier Approval work procedure and launched it across the business. This mandates all suppliers read, understand and accept TCT's Supplier Code of Conduct before being approved as a supplier as well as adding new layers of senior management approvals before the supplier goes live.

In Q2 of 2024, after a 6 month break due to a vacancy, TCT replaced the supply chain coordinator within the depot procurement team. The coordinator's mandate continues to involve conducting a mapping exercise of TCT's entire global tier 1 supply chain. This extensive initiative includes several steps and goals, representing a significant undertaking for the business:

- Reviewing over 4,000 current supplier records and identifying and removing any inactive ones not utilized in the past three years. Stakeholders around TCT entities were consulted to ensure accuracy in findings.
- Removing over 2,000 inactive suppliers which were deleted from the supplier management system and locked in TCT's Enterprise Resource Planning (ERP) system across the four entities.
- Establishing a new supplier management database system with an automated approval workflow and initiating the transfer of active supplier files to the new system.
- Collaborating with each supplier to update all information and obtain acknowledgment of TCT's supplier code of conduct, or acceptable/approved evidence that their own system met or exceeded TCT's standards.
- Subjecting each supplier to TCT's denied party screening tool, Global Wizard, as an additional layer of due diligence.
- Working with TCT's Director of Contracts and Compliance to review and approve suppliers with their own code of conduct to ensure acceptability to TCT.

As of the end of 2024, the implementation of the new database system, identification and confirmation of inactive suppliers, and progress in the mapping project were underway, with approximately 80% completion.

RESPONSIBLE SUPPLY CHAIN MANAGEMENT

TCT looks to suppliers and business partners to embrace TCT's dedication to human rights. TCT expects all those it interacts with — whether suppliers, vendors, or business associates — to uphold the highest ethical standards outlined in TCT's Code. Every contractor, supplier, and vendor linked with TCT must align with this Policy, TCT's Code, and Policy.

Alternatively, they need to provide compelling evidence that their own business standards and ethics meet or exceed the standards TCT sets. TCT is committed to working collaboratively with its partners to ensure that our supply chain remains untarnished by human rights violations.

CONDUCTING TCT BUSINESS

With the vast majority of TCT's supply chain transacting through TCT's tier 1 suppliers (General Electric and Siemens Energy or their subsidiaries/authorized suppliers), TCT are reliant on their commitment and adherence to international law and business best practice.

After analysis, TCT found that a number of high-risk countries were the country of origin for OEM supplied goods. The highest risk countries identified were China, Indonesia, Vietnam, Romania etc. As of the end of 2024, TCT was satisfied that risks of the use of forced/child labour were managed well and subject to significant due diligence.

The remainder of the suppliers were professional/technical service providers or local Canadian businesses supporting the TCT entity where the risks were assessed to be minimal as well.

PREVENTING MODERN SLAVERY

TCT requires its customers, vendors, and suppliers to take effective measures to ensure every individual that conducts work for TCT's benefit has voluntarily accepted their role and their work based on mutually agreed, true and transparent conditions. This includes protection against any form of direct or indirect mental, physical, intimidation or financial coercion, threat of any penalty or sanctions, or which in any other way exploits the vulnerability of the worker.

No customer, vendor or supplier employee should have to pay any form of recruitment or employment eligibility fees without proper compensation. No company conducting business with TCT should retain identity papers or valid work permits of personnel as a condition of employment. All workers must be in possession of their valid government issued identity documents, passports, and work permits. Worker's hours must not exceed applicable laws and must be financially remunerated to a minimum living wage for work performed.

PREVENTING CHILD LABOUR

TCT is committed to eradicating child labour within TCT's operations and supply chains. TCT recognizes the importance of respecting human rights, promoting fair labour practices, and creating a safe and ethical working environment for all. TCT practices stringent minimum age standards or employment which meet local and international laws.

TCT requires no persons under the age of 17 years of age be employed, or the legally prescribed minimum age. Persons under the age of 18 are not allowed to perform hazardous work (i.e., work that is mentally, physically, socially, or morally dangerous or harmful) or work that interferes with mandatory schooling.

Customers, vendors, and suppliers are expected to apply equally stringent standards regarding the employment of children and young workers, and to prohibit any other forms of child labour (such as trafficking, sexual exploitation, debt bondage, forced labour and the recruitment or use of underage children for security or military purpose).

REMEDIATION

In 2024, TCT's processes revealed no instances of forced labour or child labour within TCT's operations. Consequently, TCT did not need to initiate any remediation processes. While TCT continues to make improvements in 2025, TCT will continue efforts in this compelling area. This outcome underscores TCT's commitment to ethical practices and aligns with TCT's stringent policies to ensure a workforce free from exploitative labour conditions.

EMPLOYEE TRAINING

Forced Labour, Child Labour, Modern Slavery and Human trafficking training was developed and implemented in 2024. Training was provided to employees that interact with external suppliers and vendors on behalf of the business. The training was developed in order to introduce the concepts and business risks associated with Forced Labour, Child Labour, Modern Slavery and Human Trafficking. Training included what Forced Labour, Child labour, Modern Slavery and Human Trafficking is, what it could look like, what behaviour to look out for, how does it happen and identifying the signs of each one. Training included risk factors such as poverty, marginalized groups, young people, undocumented workers, remote work and high-risk industries.

Mandatory TCT Business Ethics and Code of Conduct training is provided annually to all TCT employees across all TCT entities. Any new employees to TCT will receive this training during the onboarding process.

Training consists of an online training tool, along with an electronic PDF copy of the Ethics policy that is distributed to each employee by email. All TCT employees are to complete the online training, and to read the Ethics policy. Once this is completed, the employee is required to acknowledge they have read and understand the policy by signing an annual declaration document and submitting this declaration to the Human Resources Manager. This training was completed by all employees in December 2024. In 2024, TCT completed the Human Rights Policy review project. This project identified and established a new Human Rights policy that was developed that includes prevention of modern slavery and forced labour and preventing child labour.

TCT Companies and TCT personnel are expected to comply with all applicable laws. TCT has established training and communication channels for employees to report all instances of non-compliance with the TCT Business Ethics Policy. Reporting channels are by telephone, email and or by the TCT Business Ethics Hotline.

ASSESSING EFFECTIVENESS

As conveyed by the contents of this Report, TCT's focus in 2024 was to further enhance its foundational capabilities and processes to effectively manage its suppliers on forced labour and child labour issues and to ensure human rights are not violated within its supply chain.

TCT performs annual Business Ethics and Forced Labour training across the company, has re-structured its Supply Chain department to ensure a heightened focus on vendor/supplier management (inclusive of adherence with TCT's Supplier Code of Conduct) and continues to investigate and track all internal and external (through its Ethics Helpline) reports. These measures, along with the risk-based assessment of TCT's Supply chain initiated in 2023 via the overhaul of the Supplier Approval Process have helped TCT develop an increased awareness regarding forced labour and child labour issues.

TCT conducted introduced Force Labour and Modern Slavery reporting and a request for information was conducted in 2024. Various global suppliers across a range of organizations in our supply chain were audited. Information was requested from each organization on their policies regarding Forced labour, Modern Slavery and Human Trafficking.

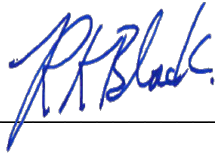
While TCT believes these measures to prevent and mitigate forced labour and child labour within its operations and supply chain are reasonably effective, in 2025 the business will strive to maintain and continually improve its efforts to sustain an ethical and transparent supply chain. The principle of Continual Improvement will drive TCT to further develop its understanding of the global supply chain network while focusing on activities such as enhancing contractual terms and working with suppliers to measure the effectiveness of their actions to address forced labour and child labour. As a part of ongoing enhancements, TCT will continue to identify emerging risks and will develop additional due diligence policies and processes for identifying, addressing, and prohibiting the use of forced labour and child labour in its activities and supply.

NON – COMPLIANCE

All instances of non-compliance with the TCT Business Ethics Policy are reported to the TCT Human Resources Department, or Ethics Helpline. Any such communication will be held in confidence to the extent consistent with conducting an appropriate investigation and applicable laws. Failure to report knowledge of a violation of the Policy may result in disciplinary action against those who fail to report. Individuals who, in good faith, report non-compliance with this policy will not face any retribution.

REPORT APPROVAL AND ATTESTATION

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“the Act”), and in particular section 11 thereof, this Report has been reviewed and approved by the Board of Directors of TransCanada Turbines Ltd. 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. I have the authority to bind TransCanada Turbines Ltd.



Full Name: Robert Kenneth Black

Title: Chair Board of Directors, TC Turbines
Vice President, Power & Energy Solutions, TC Energy

Date: 29 May 2025

Signed for and behalf the Board of Directors for TransCanada Turbines Ltd.

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