

May, 2024

COMPLIANCE REPORT - BILL S-211, An Act to enact the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* and to amend the *Customs Tarriff* (the "Act")

Reporting Entities:

Alberta Innovates (parent company)

C-FER Technologies (1999) Inc. (subsidiary)

InnoTech Alberta Inc. (subsidiary)

Introduction - Structure, Activities and Supply Chains

This is a joint report. It covers the actions of Alberta Innovates, the parent company, and the entities it owns and controls - C-FER Technologies (1999) Inc. ("**C-FER**") and InnoTech Alberta Inc. ("**InnoTech**") (together with Alberta Innovates, the "**Reporting Entities**"). This report pertains to Reporting Entities' fiscal year ending March 31, 2024.

As public agencies and Provincial (eg. 'Crown') Corporations of the Government of Alberta, the Reporting Entities hold themselves to a high standard of business ethics and accountability. Modern slavery and the use of forced or child labour in supply chains is contrary to the purpose, vision, and mandate of the Reporting Entities and is not tolerated. The Reporting Entities have implemented a strong compliance culture to enable the Reporting Entities, their staff, and contractors to comply with the letter and spirit of all applicable laws and regulations binding on the Reporting Entities, including the Act.

The mandate of the parent company, Alberta Innovates, is to grow and diversify the economy in Alberta and to deliver health, social, and economic benefits to Albertans. It does so by overseeing a portfolio of granting programs and other supports to universities, entrepreneurs, and small, medium and large businesses. As a grant funding agency, Albert Innovates does not produce, sell, or distribute goods. Similarly, it does not import goods into Canada or acquire goods from others aside from peripheral goods ancillary to its core business (eg. office supplies and other equipment). To help Alberta Innovates deliver on its mandate, it oversees and directs two subsidiaries - C-FER and InnoTech. These subsidiaries are engaged in applied research activities - the application of basic research and intellectual property to solve real world problems.

InnoTech is primarily engaged in fee for service lab testing and analysis. C-FER is an engineering consulting company. The overwhelming majority of their work relates to service offerings rather than goods. Most often the deliverable to the client is a testing report or some other form of analysis. C-FER sells licenses to software, which makes up a very small fraction of its total revenue, but is not otherwise involved in manufacturing or selling goods for resale.

Each of InnoTech and C-FER routinely acquire capital goods (lab testing equipment, industrial machinery, etc.) necessary to perform their work for clients. Vendors are chosen on the basis of quality, reliability, and past history. Cost is merely one factor. Furthermore, each of the

Reporting Entities is subject to Government of Alberta Procurement rules requiring any goods in excess of \$20,000 to be tendered through a competitive RFP process.

Reporting Information - Fiscal 2023/34

Parts of the business and supply chains that carry a risk of forced labour and steps to assess and manage same

Due to the nature of their businesses (grant funding, applied research and laboratory testing, and engineering consulting) the Reporting Entities have not presently identified parts of its activities or supply chains that carry a material risk of forced labour or child labour being used. The Reporting Entities have not presently implemented steps to assess and manage same as the risk has been deemed non material.

Steps taken during the previous financial year to prevent and reduce the risk of forced labour in supply chains

The Reporting Entities monitor suppliers for quality, service delivery and compliance with applicable laws and regulations.

Policies and due diligence processes

Per the above, the Reporting Entities have not identified any high risk activities in their operations that could put them offside the Act or other applicable laws. Consequently, policy development in this area is in its infancy and the Reporting Entities have not presently drafted any policies or due diligence processes beyond the routine vendor due diligence described above.

Measures taken to remediate forced labour or child labour and measures taken to remediate loss of income to victims of forced labour or child labour

The Reporting Entities have not presently adopted any such measures, due to the nature of their business.

Training provided to employees on forced labour and child labour

The Reporting Entities do not presently offer training to employees on forced labour or child labour.

How the entity assesses its effectiveness

Due to the magnitude of the risk being negligible, the Reporting Entities have not implemented measures to assess their effectiveness in ensuring that forced labour and child labour are not being used in their business and supply chains aside from the measures above relating to vendor selection on the basis of quality, service, place of incorporation, and past working history and not merely cost.


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STATUTORY ATTESTATION - 2024

BILL S-211, An Act to enact the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* and to amend the *Customs Tarriff* (the "Act")

ALBERTA INNOVATES, INNOTECH ALBERTA INC., AND C-FER TECHNOLOGIES (1999) INC.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. 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 above.

Name: Tony Williams
Title: Board Chair, Alberta Innovates
Date: May 13, 2024
Signature: 

I have the authority to bind Alberta Innovates, InnoTech Alberta Inc. and C-FER Technologies (1999) Inc.