

Fighting against forced labour and child labour in supply chains report

May 31, 2024

About this Report

Modern slavery refers to forms of contemporary slavery such as forced or compulsory labour, child labour, human trafficking or any other internationally recognized exploitative labour practices. It is a significant global issue impacting different industries, sectors and geographic locations. The Canadian government has committed to preventing and reducing these risks and has established legislation to require certain entities to report on the measures taken in this regard.

Bird-Stairs Ltd. (“Bird-Stairs”, “the Company”) recognizes that modern slavery, including forced labour and child labour, is a complex issue that can exist in a variety of forms through global supply chains. Bird-Stairs recognizes it has an important role to play in safeguarding the rights of its workers, advancing its supply chain transparency, and mitigating the risks of modern slavery.

As a Company that has been in operation for more than 60 years, Bird-Stairs has remained firmly rooted in its foundational values, entrepreneurial spirit, commitment to quality for us and across our entire industry.

Scope, Definitions and Boundaries

This joint report is provided in relation to *Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "Act") and related guidance from Public Safety Canada, for the reporting period of January 1, 2023, to December 31, 2023. The Report outlines the steps Bird-Stairs Ltd., and its subsidiaries have taken for the reporting period related to the prevention and detection of modern slavery within its activities and supply chain.

This Report has been prepared on behalf of **Bird-Stairs Ltd.** as the main reporting entity and the direct and indirect subsidiary noted below:

- JW Bird and Company Ltd.

For the purpose of this Report, the terms "Bird-Stairs Ltd." "Bird-Stairs" "the Company" may be used interchangeably to refer to the business.

Our Structures, Activities and Supply Chains

Business and structure

Bird-Stairs is a private Canadian company that focuses on the distribution of a wide range of products and services in Atlantic Canada. The Company operates through an efficient distribution network which includes showrooms, warehouses, and delivery centers, and stands as one of Atlantic Canada's leading distributors of commercial and residential construction products. Bird-Stairs' success is attributed to its dedicated and knowledgeable employees operating in over 9 sales and distribution centres strategically located throughout Atlantic Canada. By partnering with industry-leading manufacturers, Bird-Stairs distributes a diverse range of products to meet the needs of construction professionals.

Bird-Stairs' Corporate Headquarters is located in Fredericton, New Brunswick, Canada and is home to its corporate functions and executive team. The Company serves its customers through a network of sales and distribution facilities. Each facility strictly adheres to the company's founding principles and is subject to the Company's corporate standards and processes.

Activities

Bird-Stairs partners with North American manufacturers and offers a diverse range of products, including residential and commercial construction products. The company's activities are carried out through two business segments: residential and commercial segments.

- **Residential products** are designed to meet the needs of contractors, designers, architects, and homeowners. Products include plumbing, electrical, fixtures, roofing, insulated concrete forms, landscaping, concrete, sealants and specialized product lines.
- The Company also offers products for a range of **Commercial Products** including plumbing, heating, electrical, concrete, masonry, insulated concrete forming, bridge and highway, soil remediation and stabilization, roofing, painting, tilt-up, insulation, waterproofing and more.

Supply Chain

As a wholesale distributor of construction products and accessories, Bird-Stairs operates as an intermediary between manufacturers and customers in the construction industry. Through strategic partnerships with manufacturers, Bird-Stairs procures a wide range of standard and specialized products. These products are then distributed and delivered to customers across Atlantic Canada, catering to the diverse needs of construction and development professionals.

Bird-Stairs' role as a distributor allows it to focus on the efficient procurement and distribution of construction products and accessories. The Company generally does not engage in the direct sourcing of raw materials. The majority of Bird-Stairs' suppliers are located in Canada and the United States, where strong workers' rights and human rights legislation are enforced.

Our Values, Policies and Due Diligence Processes in Relation to Forced Labour and Child Labour

Policies and Due Diligence Processes

Bird-Stairs is committed to maintaining the highest standards of ethical conduct in its dealings with employees, customers, and suppliers. As such, Bird-Stairs has adopted and implemented several policies and practices that support responsible business practices and human rights, which demonstrate the Company's commitment to aligning with applicable laws, fostering safe work practices, and providing an ethical and respectful working environment.

Bird-Stairs requires that employees, in the execution of their job responsibilities, faithfully observe all legal requirements placed upon them and adhere to a list of policies which include a **Health, Safety and Environment Policy**, a **Health and Safety Policy for Visitors and Contractors**, a **Harassment Policy**, and a **Workplan Violence Policy**, that outlines the company's Violence and Harassment Prevention Plan which includes policies, procedures, rules, employee training, incident investigation and disciplinary actions.

As part of its commitment to promote a workplace free of violence and harassment and support the emotional well-being of employees with dignity and respect, the company implemented a **Violence and Harassment Code of Practice** and conducts an annual review of the Code with the participation of safety representatives and the safety committee and adjusts the Code of Practice to ensure it is relevant and applicable to the needs of the organization.

All employees and contractors are expected to support the Occupational Health and Safety Policies, to comply with all safety and health rules, policies, procedures and programs, and to make safety and health part of their routine.

As outlined in our **Health and Safety Policy for Visitors and Contractors**, contractors hired by Bird Stairs are required to produce evidence of an occupational health and safety policy or program, as required by legislation. They will also be required to provide evidence of adequate liability insurance and their position of good standing with the Workers' Compensation Board, prior to commencing work.

Going forward, we will continue to assess and strengthen our policies and due diligence process to ensure we have appropriate measures in place to identify and respond to potential risks of forced and child labour in our supply chain and to reinforce ethics to ensure that honesty, care, and due diligence are reflected in all procurement activities. In 2024, we are considering the development of a formal purchasing policy, providing a framework for the procurement practices of goods and services, including respect for human rights and working relationships and conditions. In addition, we are considering the implementation of a pre-qualification process for suppliers, which would require new suppliers to be evaluated against pre-established criteria and to complete an assessment form identifying the processes and programs they have in place.

Assessing the Risks of Modern Slavery in our Operations and Supply Chain

Bird-Stairs does not currently have a formal risk assessment process in place to identify parts of its activities and supply chain that carry a risk of forced and child labour. However, in early 2024, Bird-Stairs will engage with certain direct suppliers through a Risk Assessment Questionnaire to identify parts of the supply chain that carry potential vulnerabilities and risks and to strengthen its understanding of forced and child labour risk to its business and supply chain. Through this exercise, Bird-Stairs will make inquiries of active suppliers about their processes and risks related to forced and child labour, as well as their country and sector risk as informed by the Walk Free Global Slavery Index.

Components of the Business and Supply Chain that Carry a Risk of Forced Labour and Child Labour

In 2023, the majority of Bird-Stairs' direct suppliers and contractors were located in Canada and the United States where strong labour laws are enforced, therefore we consider the risks of forced and child labour within our direct supply chain to be low. Nevertheless, Bird-Stairs recognizes that due to the complexity of global supply, the risks of forced and child labour may exist in its supply chain. The Company is considering ways to enhance its procedures for identifying and addressing supply chain risks.

To date, Bird-Stairs has not been the subject of any investigation or convicted of any offence under any modern slavery laws.

Measures Taken to Remediate Forced Labour and Child Labour including Remediation of the Loss of Income to the Most Vulnerable Families

Bird-Stairs has not identified any instances of forced or child labour in its activities and supply chains within the financial year ended December 31, 2023, and therefore, no remediation measures were taken. The Company acknowledges the importance of ongoing monitoring to ensure that forced and child labour risks remain mitigated within its operations and supply chains.

Training

The Company did not provide formal training to employees specific to forced and child labour in 2023.

Assessing Effectiveness

As this is Bird-Stairs' first Modern Slavery Report, the Company has not yet taken steps to assess the effectiveness of preventative and mitigating actions. We will continue to implement and evaluate our approach to addressing the risks of modern slavery and measures introduced will be reported on in future years.

Approval of Attestation

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.

Per:


I have the authority to bind Bird-Stairs Ltd.

Norman Winter

President

May 31, 2024