

## **Fighting Against Forced Labor and Child Labor in Supply Chains Act Report of D+H Cheque Services Corporation for the financial year ending 31 May 2024**

This report is made pursuant to the Fighting Against Forced Labor and Child Labor in Supply Chains Act (“**Act**”). It sets out the specific actions taken by D+H Cheque Services Corporation, hereafter referred to as (the “**Company**”), to prevent and reduce the risk of forced labor and child labor<sup>1</sup> taking place in any of its supply chains or in any part of its own business. This statement is only in relation to the Company, not the business of its member entities.

### **A. Organization’s Structure and Business**

Company, as a member of the Finastra Group of Companies (the “**Group**”), is a leading cheque printer in Canada with approximately 112 employees. It operates from two manufacturing locations in Ontario, Canada, specifically in the cities Markham and Pickering. Its product range includes personal cheques, business cheques, deposit slips, deposit bags, and related accessories such as cheque binders, envelopes, stamps, and wallets. The Company depends on various suppliers for essential raw materials like paper and ink and relies on vendors for the maintenance of its production equipment. The Group, which the Company is a part of, is known for developing, managing, and licensing a wide array of software solutions and related services for customers in the financial services industry.

### **B. Supply Chain**

The Company operates in a sector which is at relatively low risk of encountering grave human rights violations such as child labor and forced labor, slavery, or human trafficking existing within the business operations.

The Company considers its main suppliers to be at low risk of engaging in practices of child labor and forced labor. The Company remains committed to prevent the occurrence of any practices both in the business and in the supply chain.

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<sup>1</sup> ‘child labor’ and ‘force labor’ shall have the meaning assigned to them under the Act.

### **C. Measures Taken in the Previous Financial Year to Mitigate the Risk of Forced Labor and Child Labor in the Production and Importation of Goods**

To prevent forced labor and child labor in the production and importation of goods in the previous financial year, the Company benefits from an ongoing monitoring process that is part of the broader Group's practices. This process ensures that all suppliers are consistently adhering to their standard contract terms and conditions, which include the obligation to comply with all relevant laws and regulations in the jurisdictions they operate in.

### **D. Remediation Measures**

The Company is committed to maintaining the highest standards of ethics and compliance within all aspects of its operations and supply chains. To date, the Company has not identified any instances of forced labor or child labor associated with its activities or within its supply chains. As such, there have been no remedial actions required or undertaken in relation to these issues. Additionally, since no such labor practices have been detected, there has been no measures taken to address potential loss of income for vulnerable families resulting from remediation efforts.

### **E. Adoption of Group-Wide Compliance Practices**

As part of the Group, the Company is able to leverage the Group's robust compliance practices, benefiting from its comprehensive policies, due diligence processes, risk assessments, and training programs.

#### **i. Policies**

The Company remains steadfast in its commitment to ensuring that there is no forced labor and child labor in its supply chains or in any part of its business. As a member of the Group, the Company, including all its employees, contractors, and third-party suppliers, adheres to the Group's Code of Conduct & Business Ethics (the "**Code of Conduct**"). The Code of Conduct reflects the Group's commitment to acting ethically and with integrity in all its business relationships and to implementing and enforcing effective systems and controls to ensure forced labor and child labor is not taking place anywhere in its supply chains. In line with the Group's standards, the Group has adopted formal measures to assess and monitor its supply chain rigorously, including a third-party risk management assessment and audit process. The Group reserves the right to terminate its relationships with any non-compliant supplier. Additionally, the Group's

third-party conduct terms include a warranty that all third parties need to comply with all applicable laws, regulations, and policies.

The Group's ethical standards are set forth in the Code of Conduct. The Code of Conduct creates a universal standard that governs not only how the Group expects its employees to behave with each other, but also how its customers, partners, and other stakeholders can expect to be treated by the Group.

The Group also maintains an Environment, Social & Governance (“**ESG**”) strategy, which forms an important part of the cultural journey of the Group. The Company, as a member of the Group, benefits from the leadership of a designated ESG team, headed by the ESG Director, who drives the vision for ESG at the Group level. The Group's Board of Directors has overall accountability for setting the strategic direction and ultimately for ESG performance, risk management, and compliance with stakeholder commitments and obligations. Additionally, the Board makes recommendations on how policies, practices, and disclosures can adjust to, or address current trends. At the executive management level, the Group's ESG Executive Committee comprises key executive and functional leaders and is co-chaired by the CEO and the SVP of Strategy, ESG, and Chief of Staff. The Committee drives the strategy, direction, and oversight of sustainability throughout the Group, and promotes ESG awareness by providing leadership and support for ESG activities. In addition, it assesses progress on key ESG initiatives across the Group's organization and reports to the Group Board each quarter on the status of the ESG program. The Group has appointed an ESG team, headed by the SVP of Strategy, ESG, and Chief of Staff, tasked with driving forward a vision for ESG which is delivered via the programs across the three ESG pillars of the Group's environment mission, social equity, and principles of governance. As part of the Group, the Company enjoys all the benefits from this ESG framework. This includes a strong commitment to ethical labor practices and prioritizing global human rights<sup>2</sup>.

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<sup>2</sup> View the Group's [ESG Annual Report](#).

## **ii. Due Diligence and Risk Assessments**

The Company, as a member of the Group, is committed to the highest standards of due diligence and risk management. It aligns with the Group's practices, reflecting a commitment to continuously monitor, assess, and manage risks in all its business relationships. The Company adheres to the Group's ongoing risk management framework, which includes due diligence on any potential suppliers. This commitment extends to the Company's third-party service providers, who are expected to adhere to the same high standards. The Company benefits from this rigorous approach and reserves the right to reassess its relationships with any supplier that does not meet these high standards.

## **iii. Training**

In line with the Group's practices, the Company is deeply committed to upholding the highest ethical compliance standards. It achieves this through regular employee training conducted via online courses. All employees are required to complete the Code of Conduct training as part of their induction program, and annually thereafter. This training encompasses key aspects of compliance and ethics, including the principles necessary to recognize and prevent unethical practices related to forced labor and child labor in its operations and supply chains.

## **F. Assessment of Effectiveness**

The Company assess its effectiveness in ensuring that forced labor and child labor are not being used in its business and supply chains through a comprehensive approach achieved through stringent policies reviewed on a regular cadence and updated, if necessary, to address new challenges and ensure alignment with current laws and ethical standards. To specifically prevent child labor, the Company implements strict age verification process during the hiring phase to ensure compliance with employment age laws.

The Company benefits from rigorous due diligence and ongoing monitoring of its operations and supply chains to identify and mitigate risk. Periodic risk assessments further enable the Company to evaluate and enhance its strategies effectively. Additionally, the Company benefits from a proactive Speak up Program, which enables, encourages, and facilitates reporting of any concerns, ensuring action and compliance. The Speak Up Program is overseen by a Speak Up Committee of senior management, which reviews all whistleblowing reports, and is responsible to the Group's Board.

These measures collectively contribute to the effectiveness of the Company's commitment to ethical business practices.

## **Approval**

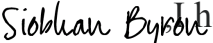
This report is made pursuant to the Fighting Against Forced Labor and Child Labor in Supply Chains Act and constitutes our annual report for the financial year ended 31 May 2024 and will continue to be reviewed and updated for each financial year.

In accordance with the requirements of the Act, and in particular subparagraph (4)(a), this report has been approved by the Board of the directors of D+H Cheque Services Corporation on 17<sup>th</sup> May 2024.

## **Attestation Statement:**

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.

Siobhan Byron  
Director  
17<sup>th</sup> May 2024

DocuSigned by:  
 I have the authority to bind D+H Cheque Services Corporation.  
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