

## HAMILTON THORNE LTD. MODERN SLAVERY REPORT

This statement constitutes Hamilton Thorne Ltd.’s (“HTL” or the “**Company**”) modern slavery report for the financial year ending December 31, 2023 under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”).

Reporting entities under the Act include HTL and all subsidiaries and affiliates that are reporting entities under the Act.

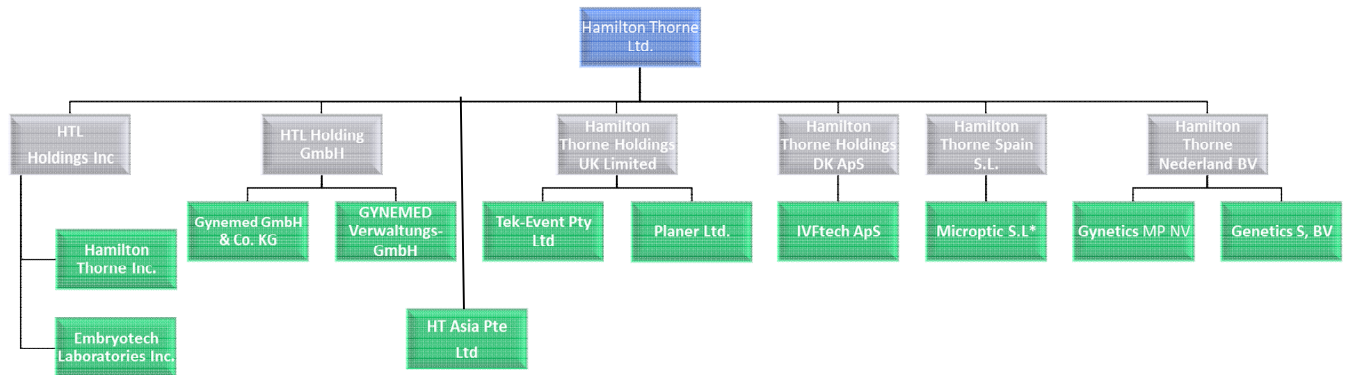
### I. HTL's Structure, Activities & Supply Chain

#### a) Our Structure

HTL is a corporation incorporated under the *Business Corporations Act* (Ontario) in 2007. The Company’s common shares are listed on the Toronto Stock Exchange under the symbol “HTL”. The Company’s head office is located in Massachusetts.

HTL is a global provider of precision instruments, laboratory equipment, consumables, software and services to the Assisted Reproductive Technologies, research, and cell biology markets. The Company develops, manufactures and markets products and delivers services that are primarily used by In Vitro Fertilization (“**IVF**”) clinics, commercial and university research centers, animal breeding facilities, and biotechnology companies. The Company markets and sells its products and services under its own brand names, as well as distributes an array of third-party equipment and consumables to meet customer requirements, ranging from accessories to support its core products to the full complement of equipment to outfit a new IVF laboratory. As of December 31, 2023, the Company had zero employees in Canada and 201 outside of Canada.

The following chart sets forth the organizational structure of the Company, including each of its material subsidiaries, along with their jurisdiction of incorporation:



## **b) Our Activities**

HTL's activities include the production, development, manufacturing and marketing of (i) equipment, (ii) consumables and (iii) services.

### *Equipment*

The Company's proprietary instrument, equipment, and software product lines include precision laser devices, imaging systems, incubators, laminar flow workstations, air purification systems, control rate freezers, lab monitoring systems, and micromanipulation systems. The Company's laser products attach to standard inverted microscopes and operate as micro-surgical devices, enabling a wide array of scientific applications and IVF procedures. The Company's image analysis systems are designed to bring quality, efficiency, and reliability to studies of reproductive cells in the human fertility, animal sciences and reproductive toxicology fields. The Company's incubators, workstations, and filtration products, improve outcomes through controlling environmental factors such as temperature, airflow, humidity, and air quality. The Company's micromanipulation system is targeted to assist the embryologist in performing critical procedures in the IVF lab with a high level of precision and reliability. The Company's control rate freezers preserve cells and tissue samples in the research and cell biology laboratories as well as the IVF clinic.

### *Consumables*

The Company's end markets use an extensive range of disposable products and accessories during IVF procedures. The Company's proprietary consumables cover a wide range of customer needs. The Company's GM501 family of products provides the IVF lab with a comprehensive cell culture media solution, including oocyte handling, sperm processing, embryo culture, and cryopreservation. Our ovum pickup needles and catheters are central to each IVF procedure. The Company's sperm preparation media, quality control products, dyes, stains, and counting chambers complement our Computer Assisted Sperm Analysis products. The Company's line of glass micropipettes complements our micromanipulator system. The Company's quality control assays are used in IVF laboratories for testing equipment and materials' toxicity to ensure the safest environment for successful embryo development.

### *Services*

The Company's services cover a broad range of user needs, including equipment service contracts and maintenance programs; quality control testing services to manufacturers and users of medical devices, culture media and consumables used in IVF laboratories; and laboratory design and installation services

## **c) Our Supply Chain**

The Company sells its products and services through a growing direct sales force based in the US, Germany, France, Australia, Scandinavia, Spain, Belgium, Singapore, and the UK and through distributors, to over 2,000 fertility clinics, hospitals, educational institutions, and other commercial and academic research establishments in over 100 countries. The Company's consumables and services are primarily sold through direct sales teams while a majority of equipment revenue is earned through distribution channels. In 2023, approximately 65% of sales were direct and 35% of sales were through distribution channels.

The Company primarily utilizes its own manufacturing facilities for the production of HTL branded equipment that it sells, and, to a lesser extent, utilizes contract manufacturers that make products to the Company's specifications. The Company's branded consumables are primarily produced by contract manufacturers. Services are primarily performed by Company personnel at the Company's facilities, as well as customer

sites. Further, the Company sources raw materials, component parts, and finished goods from suppliers globally.

Throughout 2024, HTL intends to undertake further work in analyzing its supply chain and its current suppliers, which can assist in starting to shape a smaller, more strategic supplier base in line with HTL's mission and with the view to build quality and trust.

## II. Our Risks

HTL acknowledges modern slavery risks can be present in many forms of goods. While the Company operates in a highly regulated environment, which may reduce the risk of forced labour or child labour in its supply chains, this does not preclude all risks. In this regard, the Company continues to monitor its supply chain through its verification and audit processes set out below and is committed to continuing to work on identifying and addressing any such risks in its business.

## III. Our Policies and Practices

As of December 31, 2023, the Company did not and does not have formal policies and due diligence process in place relating specifically to forced labour and child labour. Nonetheless, the Company does verify ISO certification of its of key suppliers which ensures that an independent organization has verified that key supplier's internal systems, and conducts a reputational audit, which includes reviewing public disclosure, where available, on the key supplier.

Further, the Company has a well-established code of business conduct and ethics (the "**Code**") that establishes certain principles to be followed by employees, officers and directors (the "**Representatives**") of HTL and its subsidiaries, which may extend to mitigating risks of modern slavery. The Code's purpose is, among others, to:

- 1) promote compliance with applicable governmental laws, rules and regulations,
- 2) promote accountability for adherence to the Code;
- 3) provide guidance to employees, officers and directors to help them recognize and deal with ethical issues;
- 4) provide mechanisms to report unethical conduct; and
- 5) help foster the Company's culture of honesty and accountability.

In addition, the Code allows and encourages employees, officers and directors to report possible violations of law or regulation to any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of applicable law or regulations. Therefore, the Company encourages and will continue to remind its employees, officers, and directors of this right in an effort to mitigate risks of forced labour or child labour in our supply chains.

HTL does not support or condone the use of forced or child labour, and we prohibit any form of modern slavery in our workplace and in our supply chain. We expect our suppliers and business partners to share and uphold that value.

## IV. Remedial Actions

HTL is not aware of any forced or child labour in its supply chain. Therefore, it has not taken any remedial actions within the last fiscal year. This includes not taking any remedial actions relating to the loss of income of the most vulnerable that may be impacted by a measure taken to reduce / prevent forced or child labour in our supply chain.

## **V. Training**

HTL implements standard training for all of its employees. All employees are trained at least once a year on the Code and ethical conduct including ethical labour practices and human rights abuse in the supply chain. At this time, HTL's senior leadership team and Board of Directors have been advised and notified of the Act and the requirements thereunder.

HTL intends to focus on employee training in relation to forced and child labour risks throughout the course of 2024.

## **VI. Measuring the Effectiveness of Our Policies**

HTL continues to develop its policies and practices, including those relating to forced and child labour. Our senior leadership team monitors the development and implementation of our policies, and we adopt formal and informal measures to ensure their effectiveness and if necessary develop new policies to highlight the Company's commitment to preventing forced labour and child labour in its supply chains.

## **VII. Road Map Forward**

Throughout 2024 we intend to undertake the following actions to further support our policies and practices in relation to modern slavery:

- Implement Know Your Client procedures for suppliers in relation to forced and child labour;
- Amend our Code to specifically call out compliance with the Act; and
- Implement training for the procurement team on the Act.

## **VIII. Approval & Attestation**

This statement is made pursuant to the Act and has been approved by the HTL Board of Directors.

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.

(signed) "*David Wolf*"

David Wolf  
Executive Chairman  
May 28, 2024

I have the authority to bind Hamilton Thorne Ltd.