



2023 MODERN SLAVERY REPORT

for the period ended December 31, 2023

Introduction

O.C. Tanner Recognition Company Limited (“OCT”) is a privately held Ontario corporation that meets the definition of a reporting entity under Bill S-211 An Act to enact the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (“Act”). This document fulfills OCT’s reporting requirements under the Act for the fiscal period of January 1, 2023 to December 31, 2023 (the “Reporting Period”).

Steps to Prevent and Reduce Risks of Forced Labour and Child Labour

We care about humankind, equity, fairness and our planet. And to live by these values, we hold ourselves and the companies we do business with to the highest possible sustainability expectations. Ultimately, we view it as our responsibility to make the world a better place.

In general terms we took the following steps during the Reporting Period to prevent and reduce the risk of forced labour or child labour in our business and supply chains:

- Updated our Code of Conduct and ESG policies;
- Worked with our parent company on assessing a new vendor management system, including reviewing standard vendor contract terms. Work on this is ongoing.
- Rolled out required employee training for all purchasing team members.

Structure, Activities and Supply Chains

OCT is a wholly owned subsidiary of O.C. Tanner Company, a privately held Utah corporation. The O.C. Tanner group of companies develop strategic employee recognition and reward solutions that help people accomplish and appreciate great work. Our purpose is to help people thrive at work.

OCT has 80 employees in Canada and is focused on serving medium to large enterprises with 2,000+ employees. OCT offers cloud-based recognition technology solutions along with award fulfillment services, including custom symbolic award design and manufacturing capabilities. OCT serves Canadian companies or the Canadian employees of global companies who have contracted with OCT’s parent company or another OCT affiliate.

OCT’s supply chain consists of product suppliers (including raw material for manufactured items, branded merchandise items, gift cards and cash cards) and suppliers of non-product goods and services. In 2023, OCT sourced approximately \$36.4 million from product suppliers. Of this spend, approximately 88% was sourced from Canadian organizations and 12% was sourced from U.S. organizations, with approximately 87% of the U.S. volume sourced from our parent company (i.e. only approximately 1.5% of our total product volume in 2023 was sourced from non-related organizations outside of Canada). All of the non-product goods and services expenses, including legal, accounting, professional trades, etc. are sourced from Canadian organizations.

Policies and Due Diligence Processes

OCT requires the highest standards of professional and ethical conduct from our employees, clients, and suppliers. Our suppliers are expected to comply with our Code of Conduct and Supplier Standards, which can be found here: [Our Commitment \(octanner.com\)](https://www.octanner.com). These policies address human rights and social responsibility standards that we expect our suppliers to abide by and specifically state that *“any violation of a child labor law is not tolerated”, “suppliers must abide by minimum wage, time and overtime laws established in their respective countries”, and “we have a zero-tolerance policy towards modern slavery”*.

For internal stakeholders, OCT has a global ethics policy that employees are required to sign off on annually and an employee handbook that details personal standards all employees are expected to adhere to. Our Global Ethics Policy includes an anti-retaliation statement that says *“O.C. Tanner will not tolerate retaliation against any person who raises concerns regarding a potential violation of the Ethics Policy that he or she believes to have occurred. In fact, all employees have a duty to report any knowledge of any action taken by another person in violation of this policy.”*

Forced Labour and Child Labour Risks

OCT believes our modern slavery risk is low as all of our employees are located in Canada and our total supplier spend is procured from vendors within Canada and the United States, which are jurisdictions with relatively low risks of modern slavery as detailed by the 2023 Global Slavery Index, which can be accessed here: [Global Slavery Index | Walk Free](#).

We acknowledge that we do not have full line of sight into the risk of forced and child labour in our supplier’s supply chains, so further work is required to assess this risk.

Remediation Efforts

For the year ending Dec 31, 2023 (and to the date of this report), OCT is not aware of any instances of forced labour or child labour in our supply chain. Therefore, no measures have been taken during the reporting period to remediate forced labour or child labour or loss of income in OCT’s operations and supply chain.

Training

During the reporting period, OCT required all purchasing team members to complete a training course on *Sustainable Supply Chain*. This course included information on what modern slavery is, examples of modern slavery and what steps OCT, its parent company and its affiliates are taking to prevent modern slavery.

Measuring Effectiveness

Tracking the completion rate of the required employee trainings (ethics course and sustain supply chain course) to ensure all applicable employees have completed them is one measure we've taken.

Otherwise, due to the assessed low risk of modern slavery in our operations and supply chain, we have not dedicated much time or resources to measuring the effectiveness of the actions we've taken to reduce the risk.

Approval

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 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.

DocuSigned by:

Jennifer Gates

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Jennifer Gates
Managing Director and Chief Operating Officer
May 27, 2024

I have the authority to bind O.C. Tanner Recognition Company Limited