

## Report on Our Commitment to the Fight Against Modern Slavery

Staples Canada ULC (Staples) (we, our) is committed to respecting human rights and stands against all forms of modern slavery (a term that includes forced labour and child labour). This Report is issued in accordance with Section 11 of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Act) for the financial year ending February 3, 2024. This is a joint report of Staples Canada ULC and Staples Professional Inc., which is subject to the reporting requirements under the Act.

This Report describes elements of our human rights program for our 2023 fiscal year, which continues to evolve and incorporate global best practices like those embodied by the United Nations Guiding Principles on Business and Human Rights (UNGPs).

### 1. Our Structure, Business, and Supply Chains

Staples is The Working and Learning Company and the leading provider of workplace and educational solutions in Canada. As a Canadian privately-owned organization, headquartered in Richmond Hill, Ontario, we are committed to being a dynamic, inspiring partner to customers who visit our 300+ locations across the country, work with our business-to-business group at [staplesprofessional.ca](https://staplesprofessional.ca) and visit our website at [staples.ca](https://staples.ca). We provide thousands of products, sourced from international countries, serving customers in a broad range of categories including office supplies, technology, furniture, and copy & print services.

### 2. Modern Slavery Risks in our Operations and Supply Chains

Staples' supply chain network is global. Business is conducted with suppliers in countries where human rights, labour and employment laws are non-existent or limited. Even when laws and workplace regulations are established, they may not be effectively enforced to protect populations vulnerable to forced labour or child labour. Therefore, the risk of modern slavery in our supply chains arises from the realities of conducting business in a global environment where workplace and human rights regulations vary. Staples is aware of these risks and undertakes a variety of actions to address and mitigate them.

Certain factors, sectors and geographies are known to carry a high risk of utilizing modern slavery. High risk factors include the use of migrant workers, outsourced labour hire and labour-intensive service. High risk sectors include electronics, packing and logistics. High risk geographies include China, Indonesia, and Malaysia. To the extent that Staples suppliers operate within these high-risk environments, Staples is aware of the risks, and monitors their operations closely.

### 3. Actions Taken to Assess and Address Modern Slavery Risks

#### (a) Risk Assessment and Management

Staples strives to work with suppliers who treat their workers with dignity and respect, adhere to applicable laws and regulations, and make their products in an environmentally sustainable manner. Accordingly, each supplier that provides Staples brand products is required to comply with the Supplier Code of Conduct.

Staples seeks relationships with suppliers that are committed to manufacturing Staples brand products under fair and safe labour conditions and sound environmental practices. Staples monitors suppliers closely and regularly conducts audits of factories located in high-risk geographies to ensure that the suppliers are complying with Staples' Supplier Code of Conduct.

Staples contracts a third party, Bureau Veritas (BV) to conduct audits for any direct imports that supply own brand items to Staples Canada. The audits include Social Accountability audits, which assess Social Compliance issues like forced or child labour and worker safety. These audits are done initially, and after a period of time from 1-2 years based on score, they must be renewed. Staples has had an audit team in China for at least the last two decades, dedicated to working with BV in scheduling and keeping track of factory and product audits.

Following an audit, if Staples determines that a particular factory does not comply with the Supplier Code of Conduct, Staples will strive to work with the supplier to develop and implement an appropriate corrective action plan.

Nevertheless, depending upon the circumstances, Staples may elect to end its relationship with a supplier that produces Staples brand products at any time for failing to adhere to the Code. Staples provides factories with a copy of the Supplier Code of Conduct on the completion of the first audit. The Code must be posted in a place visible to employees, in their native language.

Beyond having codes of conduct for employees, vendors, and suppliers we periodically review social audits and have not uncovered any forced or child labour.

**(b) Our Standards, Policies and Due Diligence Processes in Relation to Forced Labour and Child Labour**

Staples has robust policies and protocols in place to ensure that all products sourced by Staples are manufactured in accordance with applicable law. All suppliers who provide products to Staples are contractually required to manufacture products in accordance with applicable law.

Staples' policies and approach to preventing involuntary labor and human trafficking have been developed based on international labour and human rights standards, as well as best practices across the business community. Staples' specific policies include:

- **Staples Code of Conduct**: requires Staples associates to always act lawfully, ethically and in the best interest of Staples. Staples appreciates equality and diversity and accordingly provides equal opportunity in all aspects of employment.
- **Staples Supplier Code of Conduct**: applies to each supplier providing Staples with Staples brand products. Other branded suppliers and subcontractors are contractually bound to comply with the Supplier Code of Conduct and similar standards. The Supplier Code of Conduct provides a plethora of ethical, legal and workplace standards that vendors must adhere to. Article 1 of the Supplier Code of Conduct requires that suppliers must ensure they conduct business in accordance with the applicable laws, rules and regulations of Canada and the jurisdiction in which they operate. Article 2 requires that suppliers should not use forced labour, whether in the form of prison labour, indentured labour, bonded labour or otherwise. Suppliers must allow employees to keep their own identification documents to resign from their positions at any time. Suppliers shall not employ people younger than the minimum age required under the laws of the applicable jurisdiction, or the minimum age for the completion of compulsory education, or the minimum age of employment required by law in the country of manufacture, whichever is highest.
- **Staples Direct Vendor Program**: includes a Code of Conduct (Article 21) which requires that Staples' vendors do not engage, actively or passively, directly or indirectly, in any form of bribery, in any violation of basic human rights of employees or child labour. It requires vendors to comply all applicable state, provincial, federal and municipal laws, rules and regulations, and with Staples' Supplier Code of Conduct.
- **Staples Indirect Vendor Program**: requires that the Vendor indicates and that all Goods delivered pursuant to a Staples Order are in compliance with all applicable federal and provincial statutory and regulatory requirements, including health, safety, quality and security requirements. The Indirect Code of Conduct (Article 12) requires that Staples' indirect vendors also do not engage, actively or passively, directly or indirectly, in any form of bribery, in any violation of basic human rights of employees or child labour. It requires vendors to comply all applicable state, provincial, federal and municipal laws, rules and regulations, and with Staples' Supplier Code of Conduct.

**(c) Mechanisms to Report Concerns and Complain**

Staples has a robust system of accountability, including a Human Resources department and an Ethics and Compliance Office. If employees have any concerns that the Code of Conduct is being violated, they are encouraged to report to the appropriate office.

**(d) Measures Taken to Remediate Forced Labour, Child Labour or Loss of Income in Relation to Forced Labour or Child Labour**

Staples has not identified any forced labour or child labour in our activities and supply chains and has not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced labour or child labour in our activities and supply chains.

**(e) Training provided to employees on forced labour and child labour**

Staples does not provide employee training that specifically addresses forced labour or child labour. However, all Staples employees must participate in extensive training focused on the principles of the Staples' Code of Conduct. The Code of Conduct sets standards that Staples' associates behave honestly, lawfully and ethically. It also demands that Staples' associates follow all applicable laws, rules and regulations.

**4. Assessing the Effectiveness of our Actions**

Staples regularly reviews our policies and procedures relating to modern slavery, to assess their effectiveness. Staples has implemented the following assessment methods to track the effectiveness of our policies:

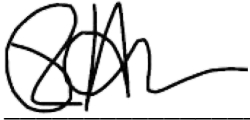
- Setting up a regular review/audit of our policies and procedures relating to forced labour and child labour.
- Partnering with an external organization to conduct an independent review or audit of the organization's actions.

**5. Conclusion**

We are committed to preventing and eradicating all forms of modern slavery in Staples' procedures and supply chains. We will continue to regularly review our processes, practices and policies in order to ensure this goal is being met.

### Approval and 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 entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest in accordance with subparagraph 11(4)(b)(ii) of the Act 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. I have the authority to bind Staples Canada ULC and Staples Professional Products Inc.



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NAME: Rachel Huckle  
TITLE: Chief Executive Officer  
Dated: May 23, 2024