



Stork Craft Manufacturing Inc. Statement on Forced Labour in Canadian Supply Chains for Fiscal Year 2023

SUMMARY

This document constitutes Stork Craft Manufacturing Inc.'s ("Storkcraft") Forced Labour in Supply Chain Report, covering our Fiscal Year of January 1, 2023 to December 31, 2023. This report covers our activities during the fiscal year 2023, focusing on our commitment to addressing forced labor within our supply chain. This report outlines the steps that we have taken, including supplier engagement, audits, contractual agreements, employee training, and certifications. Our company is committed to upholding the highest standards of ethical sourcing practices, and remains vigilant in our efforts to combat forced labour practices.

BACKGROUND

Since 1945, Storkcraft has dedicated itself to crafting dream nursery and children's bedroom furniture for families across North America. Our commitment to quality, safety, and ethical practices has earned us recognition, including the Parent Tested Parent Approved (PTPA) Seal of Approval and several other prestigious awards, including the Women's Choice Award for 9 out of 10 Recommended Baby & Kids Furniture and the National Parenting Product Award. Integral to our mission is our ongoing opposition to forced labor and child labor, affirming our dedication to ethical labour practices across our supply chains.

SUPPLY CHAIN ACTIVITIES

Our company operates within the manufacturing and wholesale trade sectors. We engage in the purchase and importation of goods from various countries in Asia, and Mexico. Subsequently, these goods are distributed and sold to various partners, and end consumers, in North America.

SUPPLY CHAIN STRUCTURE

Storkcraft's diverse distribution model includes Retail, Dropship, Truckload, and Direct Import. To ensure the integrity of our products, we implement rigorous third-party testing and vetting procedures, supplemented by rigorous Storkcraft quality assurance (QA) checks at the country of origin, alongside additional QA checks conducted at our warehouses. Our sourcing strategy encompasses several countries (which primarily include Mexico and various countries in Asia), prioritizing suppliers who share our commitment to ethical practices and quality.

STORKCRAFT'S SUPPLIER CODE OF CONDUCT

Our Supplier Code of Conduct highlights our commitment to ethical supply chain management. This code mandates full compliance with legal and regulatory standards, emphasizing the prohibition of forced and child labour, ensuring fair treatment and non-discrimination, and upholding workers' rights.



We rigorously enforce this code through regular supplier audits, including third-party assessments and direct evaluations by Storkcraft personnel, to guarantee adherence and to effectively address any deficiencies. Suppliers are required to sign our Supplier Code of Conduct in order to do business with us, demonstrating their commitment to ethical business practices and social responsibility. Our approach aligns with our company's commitment and dedication to social responsibility, affirming our zero-tolerance policy towards forced labour practices in any form within our supply chain.

EVALUATING OUR IMPACT

Our company conducts regular and thorough screening of suppliers to ensure adherence to ethical standards and legal requirements. Through fiscal year 2023, our robust supplier monitoring procedures revealed no instances of forced labour within our supply chain. We remain vigilant in our commitment to ethical sourcing practices, conducting ongoing assessments to evaluate the effectiveness of our supplier screening processes and taking prompt corrective actions where necessary.

CERTIFICATION, COMPLIANCE, AND GOVERNMENT GUIDELINES

Adhering to stringent certification processes and complying with government guidelines is foundational to our commitment to product safety and ethical manufacturing practices. Our products, including cribs, mattresses, changing pads, toddler beds, changing tables, and toddler guardrails for cribs, are certified by the Juvenile Products Manufacturers Association (JPMA), ensuring these products meet or exceed all applicable category safety standards. This commitment to nursery and children's bedroom product safety extends to achieving GREENGUARD Gold Certification across the majority of our product offering – meaning they have undergone rigorous screening for over 10,000 chemicals and 360 volatile organic compounds (VOCs) known to pollute indoor air.

Our crib and toddler mattresses feature CertiPUR-US® Certified foam – meaning they meet CertiPUR-US's® standards for content, emissions, and durability, and are analyzed by independent, accredited testing laboratories. Furthermore, our crib and toddler mattresses are UL Formaldehyde Free Certified – meaning they have been lab tested in environmental chambers and certified by UL to be free from formaldehyde.

To reinforce our commitment to ethical supply chain management, Storkcraft engages in comprehensive third-party testing and audits across our supply chains. These audits are designed to ensure compliance with all local labour standards, specifically focusing on eradicating any and all forced and child labour. By partnering with reputable third-party auditors, we conduct regular assessments of our suppliers to verify adherence to our Supplier Code of Conduct and to international labour standards. These audits provide an objective evaluation of supplier practices, ensuring that Storkcraft's ethical commitments are upheld in every aspect of our production process.



DUE DILIGENCE, REMEDIATION, AND EFFECTIVENESS

Our due diligence process is robust, encompassing both internal and external audits of our suppliers' factories. These audits are designed to uncover any issues related to forced labour, with a clear policy to cease business with any supplier found in violation of our policies. Business would not resume with any supplier that has not rectified all issues, and proven that they can comply with our stringent requirements for a minimum period that gives us confidence in their ability to maintain the level of commitment required to eliminate any practice of forced and/or child labour. This rigorous approach ensures the integrity and ethical compliance of our supply chain.

TRAINING

Storkcraft invests in comprehensive third-party training for our employees, focusing on the identification and prevention of forced labour within our supply chains. This training is part of our broader commitment to ethical practices and the well-being of workers in our supply chain. This includes all staff, regardless of their position, extending to all employees at Storkcraft.

APPROVAL

This statement was approved by the board members of Stork Craft Manufacturing Inc., and Stork Craft Manufacturing (USA) Inc.

FINAL STATEMENTS

Stork Craft Manufacturing (USA) Inc. wholly owned and operated by Stork Craft Manufacturing Inc., wholeheartedly stands against any form of forced labour in supply chains. We are committed to maintaining ethical practices, ensuring the well-being of workers in our supply chain, and adhering to the principles of Bill S-211. This statement, covering January 1, 2023 to December 31, 2023, has been approved by our Board of Directors and is a testament to our dedication to upholding the highest standards of corporate responsibility and ethical conduct.

Signed by:

X

Adam Segal
President and CEO

Date: 2024-03-20