Statement Concerning the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

This statement has been prepared in compliance with Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**"), which came into force on January 1, 2024. This statement covers the fiscal year starting January 1, 2023 and ending December 31, 2023 and outlines the steps taken by The Stevens Company Limited ("**Stevens**"), a Canadian corporation operating exclusively in Canada in 2023 with facilities in 6 provinces and staff in 8 provinces.

Overview

As a Canadian company committed to respecting human rights we stand against slavery and human trafficking throughout all aspects of our supply chains and business.

We recognize that no entity is immune from the risks of modern slavery and that it can be concealed in the supply chain of goods and services bought and sold anywhere. Stevens understands the importance of vigilance and of combatting forced and child labour in our own business and those of all the partners with whom we engage around the world. We support and commit to the protection and promotion of human rights and recognize that modern slavery, including forced labour, child labour and human trafficking are violations of those rights by incorporating best practices across our business and the many partnerships that make up our supply chains to monitor and mitigate these potential risks.

About Stevens

Stevens is a distributor of medical supplies and equipment in Canada. Founded in 1830 and in business in Canada since 1874, Stevens is family owned and operated 6 distribution facilities across the country in 2023. Our goal is to improve Canadian healthcare, through the introduction and distribution of quality medical supplies and equipment designed to save precious healthcare dollars, create efficiencies for care providers and most importantly, quicker, and better-quality outcomes for patients. Our 300+ employees across the country live the values of *honesty, openness, integrity, trust and respect* through our thousands of interactions each day.

Our commitment to Human Rights

Stevens believes that a diverse workforce is fundamental to its future growth and progress and is an integral part of its business activities. We believe that success happens in an environment that is diverse and a place where people from various backgrounds can work together. At Stevens, we know that an environment that fosters diversity is the kind of environment which brings out the untapped potential that lies in our workforce, stimulates innovation and company growth. Our diversity mission is to continue to be a company with the following characteristics:

- Universal recognition by everyone with whom it deals as a company committed to diversity and synonymous with improving the opportunities of disadvantaged groups in employment.
- A workforce that fully reflects the requisite skills available in the relevant employment market.
- A preferred employer and vendor for all cultural groups in the population by virtue of our reputation in this field.
- An environment where every employee understands and voluntarily values diversity in all areas of practice.
- An environment where all employees can reach their highest potential.

Recognizing and encouraging the uniqueness of individual contributions within a team environment is fundamental to Stevens and its employment policies. Our philosophy is found in all aspects of employment such as recruitment, compensation, training, promotion, transfer, and benefits. All employees at Stevens will be treated as individuals according only to their abilities to meet job requirements, and without regard to factors such as race, sex, colour, ancestry, place of origin, ethnic origin, same-sex partnership status, sexual orientation, age, disability, citizenship, family status or marital status, creed, gender identity or gender expression, or any other factor that is legislatively protected within the province where the employee works. Any kind of discrimination or harassment based upon these factors is neither permitted, condoned nor tolerated under any circumstances.

Our Structure and Supply Chain Partnerships

As a distributor of medical supplies and equipment, The Stevens Company relies on an extensive network of manufacturers (who in turn rely on their raw materials and other suppliers), transportation and distribution entities for the products which we, in turn distribute to healthcare facilities and other users across Canada.

In 2023, The Stevens Company Ltd. had 6 distribution centres across Canada and a roster of 500+ manufacturing partners around the world. In our quest for the best and most innovative healthcare solutions our supply chain partnerships only continue to grow.

This expansive network of partners and providers creates complexity in ensuring the principles and legal requirements of the act are being monitored and verified throughout the stages of the supply chain. Most of our products are procured from vendors directly, though in some cases, intermediary organizations are involved (for instance where they are exclusive distributors and Stevens in turn purchases products from them for resale to our customers). Additional third-party services are used to provide services such as logistics, shipping and courier services. While most of our partners are North American based, many of their manufacturing facilities are based in various jurisdictions with different local standards and compliance mechanisms around them. All of Stevens' operations are based in Canada, with focus exclusively on Canadian customers.

Our Supplier Code of Conduct and resellers Code of Conduct which will be incorporated into our distribution and partner agreements this summer and the attestation of compliance for relationships in place until the renewal of current distribution agreements will set out the principles that define us as an organization and the standards and expectations of our supplier community. Suppliers are expected to adhere to all applicable rules, laws and regulations in the jurisdiction which they operate in and have a system in place to audit their facilities, policies and procedures to ensure their attestations are robust. Failure to comply or rectify incidents of concern may result in the possible immediate termination of our partnership and will become a key factor in the assessment of future agreements or renewals.

Risks in The Stevens Company's Operations and Supply Chains

The Stevens Company is committed to ensuring the dignity, safety and opportunities of all our employees. As an entity with employees in Canada only, we believe our risk in terms of our own employee base is minimal given our skilled workforce and the vetting process for temporary workers. All employees are vetted to ensure their ability to contribute to Canada's workforce through a compliant onboarding process administered by an experienced Human Resources team in accordance with the laws of Canada. Our policies in terms of eligibility and treatment of employees are laid out in our Human Resources Handbook which each employee is required to read, understand and attest to in their first week of employment. Our temporary worker requirements are fulfilled by 3rd party organizations selected by and under the supervision of our HR Department to ensure they are vetting the talent they send to Stevens according to Canadian law.

In terms of our clients, which are almost exclusively Canadian legal entities, most are Government or unionized environments or those with professional designations and memberships. We believe their diligence and compliance with government regulation minimizes the risk in this area. That said, we do have some reseller relationships and are in the process of developing and launching (expected date summer 2024) our Reseller Code of Conduct document which will be sent to all current reseller customers and will be part of our new customer application process.

We feel the largest risk is in our substantial and diverse supply chain. With product sales from 490 active manufacturing partners around the world we are cognizant of the diligence required to ensure robust, clean and compliant relationships with them. While the number is daunting, many of our sales originate from a subset of these relationships. In 2023, 74 of our partners contributed 90% of our sales, many of these being longstanding internationally recognized organizations with robust process and policies themselves to ensure these negative practices are not part of their own supply chains. As such, Stevens does not conduct any of its own supply chain-related diligence and relies instead on the processes and policies implemented by these longstanding internationally recognized organizations. That said, human rights observers have identified the potential for modern slavery and human trafficking in the types of products we purchase and sell, and, as relationships change or grow we understand the vigilance and obligation to ensure that Stevens is not party to these practices through our partner organizations. Within this group of partners, some have operations in jurisdictions with a higher risk or history of exploitation, which require greater scrutiny.

Stevens visits its manufacturing partners from time to time in part to assess their conditions and facilities. More often, Stevens relies on the diligence of our partners, but also request copies of their policies and internal reports to ensure they have robust programs in place to reduce the risk of exploitation or mistreatment and that those policies are measured and reported.

We have not identified any instances of forced or child labour in our supply chain during our last fiscal year. As a result, we did not need to take any action to remediate any forced or child labour issues during this period, nor did we need to remediate any loss of income because of forced or child labour or take any action to remove it from our supply chain.

Key Policies and Processes to Support the Prevention of Forced or Child Labour in our Business and Supply Chains

Policy/Initiative	Description	How does the policy support mitigating our risk?
Stevens Company Employee Handbook	Diversity & Accommodation Statements establishes the standards for all team members in their interaction with fellow employees.	These statements are designed to be guiding principles in all our teams interaction with others. These are minimum expectations and are shared to create a baseline requirement and awareness of same with each employee from which they and the Company can build.

Stevens Company Employee Handbook	Conflict of Interest Statement	This section delineates the responsibilities of each employee in their interactions with any group or entity that might impair or affect their judgement or influence their decisions concerning Company business.
Employment Equity Act	As part of our obligation and commitment as a Federal Government contracted organization, we committed to an EEA survey approximately 4 years ago. We are currently working on our new submission.	As the act is designed for and states this program is designed to achieve equality in the workplace, ensuring no employee is denied employment opportunities or benefits for any reason other than their ability and to correct disadvantages individuals (specifically but not limited to) in 4 identified groups: women, indigenous peoples, persons with disabilities & members of visible minorities
Medtech Canada Membership	The Company is a long-standing member of Medtech Canada (including a member of our Executive Team who is a current Board member.	Our membership obligates us beyond our own company conflict of interest guidelines to ensure we are compliant with Medtech Policies as they set our Industry Standard and ensure they reflect current realties.
Distribution Agreements Changes ***Coming mid 2024***	Additional language around the responsibilities of all our vendor partners to ensure they have robust policies in place when we enter new or renewed relationships.	This prioritizes the concerns and seriousness with which they take them as it relates to the concerns and potential for Modern Slavery practices at the outset of new relationships and on an ongoing basis - ensuring these policies and initiatives evolve as international realities create new or different challenges.
Partner Attestation ***Implementing mid 2024***	For relationships in place that are multiyear and not due to expire this year, this document will be added to the Distribution Agreement in place.	The goal here is to make all partners aware that this policy is a priority for Stevens and to ensure the business we do today is reflective of Stevens' desire that all partners have a process or system in place and to let them know it will become a part of any Distribution Agreement renewal.
Staff training ***2024***	Training our internal teams on their/our obligations and our commitment to and ensuring they all understand the mechanisms to report any concerns or questions.	This ensures all our legacy teams are aware of the risks inherent to our business and their role in identifying areas of concern and their obligations and pathways for reporting.

Resellers Code of Conduct Implementing Fall 2024	Sharing the requirements and obligation of those reselling products obtained from Stevens to be compliant with the Act and outlining actions including the closure of their account if they are found to be in contravention.	Ensuring that products purchased from Stevens for the purposes of resale and being marketed and sold by partners who are aligned with the goals and requirements outlined by the Act, whether they meet the threshold themselves.

Training, Awareness and a Mechanism to Report Concerns

A policy and a program are only aspirational unless all our internal and external stakeholders understand the policy, its goals and their individual responsibility to support the organizations obligations to identify, report and effectively rectify areas of non-compliance.

A training module will be created for all internal Stevens staff to help make them aware of the issue and that we individually all have a role to play in the identification and elimination of these practices wherever we find them. Foremost is helping our teams understand that these are real and pervasive issues with a negative personal impact on exploitable populations. Identifying things to look for or behaviours to question will be key learnings to empower our people to raise concerns and call out disturbing behaviour for greater scrutiny. Finally, providing mechanisms and creating confidence their concerns will be taken seriously and investigated. Beyond our internal escalation process where employees are encouraged to work with their organizational leaders to share concerns, the implementation of an option to anonymously report where that better encourages communication.

Our Ongoing Commitment

Our approach will be reviewed annually for changes, enhancements or expansion to ensure that it remains effective, as the problem of forced labour and child labour persists globally, and the best methods to tackle these issues change.

We are committed not just to our obligations under the law but to ensure our organization is not knowingly a party to this behaviour. We will apply a high degree of diligence to prevent it where we see the opportunity for it or eradicating it where we find it through the course of our business.

Approval and Attestation

Approved by the Board of Directors of The Stevens Company Ltd. on May 17, 2024.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in this report for The Stevens Company. I attest that the information in the report is true, accurate and complete in all material aspects for the purposes of the Act, for the 2023 reporting year.



Jay Stevens
President and Director
The Stevens Company Ltd.

May 17, 2024
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