

ASSA ABLOY of Canada Ltd

Modern Slavery Statement

Introduction

This modern slavery statement is made to comply with the requirements of the Fighting Against Forced and Child Labour in Supply Chains Act ('the Act').

Reporting for Entities

This modern slavery statement is a joint statement made by **ASSA ABLOY of Canada Ltd** on behalf of the following ASSA ABLOY companies.

ASSA ABLOY of Canada Ltd
Guard RFID Solutions Inc.
Spectrum Brands Canada, Inc.
Record Canada Inc.
Flexiforce Canada Inc.
ASSA ABLOY Entrance Systems Canada Inc.
Dock Products Canada, Inc.

ASSA ABLOY of Canada Ltd is the parent holding company of all companies listed above (together **ASSA ABLOY CANADA** hereinafter), which is in turn owned by a Swedish parent company, ASSA ABLOY AB, a publicly traded company on the Swedish Stock Exchange.

Modern Slavery

ASSA ABLOY CANADA recognizes the risk that modern slavery represents in society and condemns any use of modern slavery, as defined in the Act, by any **ASSA ABLOY CANADA** company or any external company in our supply chain.

ASSA ABLOY CANADA complies with all laws and standards that we are required to adhere to in Canada and expects that all **ASSA ABLOY CANADA** suppliers also comply with the laws and standards in the countries in which they operate.

ASSA ABLOY CANADA continues to reinforce its Modern Slavery Policy and improve related internal and supply chain processes to emphasize the expectations we have in relation to modern slavery for our group companies and suppliers.

Modern Slavery Prevention

For the financial year ending 2023, **ASSA ABLOY CANADA** has taken the following steps to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity or of goods imported into Canada by the entity.

This Modern Slavery Statement has been published on our website, which can be found by the general public using the following link <https://www.assaabloydss.ca/en> to demonstrate **ASSA ABLOY CANADA's** commitment to Modern Slavery compliance.

A Modern Slavery Policy is maintained and posted on our internal Divisional employee intranet, "Avenue" to promote internal awareness for all employees to be able to access anytime. In the same location, we also post various communications on the topic as well as publish our anonymous reporting mechanism "WhistleB" to help reinforce the channel by which employees can report potential breaches of our Modern Slavery Policy.

A Trade Compliance Policy and **Import Compliance Manual** is maintained which contains references to forced labour prevention which is updated and distributed to all relevant employees. Employees are also given training on the contents of this Policy and Manual. Training records are kept, and employees are also required to sign their acknowledgement and understanding of the Manual, its policies, and procedures within, including those that relate to forced labour.

Screening of all our Business Partners (Customers, Suppliers and Service Providers) is conducted routinely in the Dow Jones software that we subscribe to, which screens thousands of worldwide sanctions and official lists including, but not limited to, *Human Rights Violations and Abuses Lists* and *Most Wanted Human Trafficking Lists*, to ensure we are not doing business with any entity or individual named on one of these lists for such violations.

A Code of Conduct is maintained for **ASSA ABLOY CANADA's** employees and its external Business Partners which has a dedicated section in relation to Human Rights and Labor Standards to ensure that all our employees and business partners are aligned with our expectations on this topic. Employees are required to complete mandatory Code of Conduct training upon hire and every 3 years thereafter. Business Partners are required to sign their acknowledgement of our Code of Conduct or evidence their own Code of Conduct with similar values.

A Code of Conduct Committee exists, at our parent company **ASSA ABLOY AB** which is chaired by the Executive Vice President & Chief Human Resources Officer. Its members include the Vice President & Head of Sustainability, Group Head of Compliance, Group Head of Internal Audit & Control, and two employee representatives. The employee representatives are also members of the ASSA ABLOY Board of Directors. Among other things, the members of the committee receive information from whistle-blowers across the globe including Canada and the committee ensures that such matters are dealt with appropriately and followed through. The committee meets three times per year to review all global matters including those in Canada when applicable.

A Sustainability Program is in place which sets forth onboarding requirements for our Business Partners, including questions on Modern Slavery, a rating system, a denial of business for partners who have been confirmed to have used child labour, and an annual audit program to ensure continued compliance.

Contractual Clauses on Modern Slavery are in **ASSA ABLOY CANADA's** Supplier Agreements which prohibit the use of modern slavery in its supply chain.

Voluntary Employment Practices our Human Resources Department posts positions externally on websites and internally on our employee intranet "Avenue". Candidates voluntarily reply to the postings by submitting their resumes for consideration. For lower-level positions, we use external recruiting agencies, and they start employment on a temporary basis. All recruiting and hiring efforts are documented and retained.

Annual Internal Risk Self Assessments were agreed by the Board of Directors in 2023 as a new requirement for all Compliance Officers to conduct which will begin in 2024 and include a review of the procedures, we have in place for managing modern slavery risks.

ASSA ABLOY CANADA Structure

ASSA ABLOY CANADA has been operating in Canada in one form or another for over 25 years. The operation is comprised of several manufacturing facilities warehouses, sales, service, and administration offices throughout Canada.

ASSA ABLOY CANADA is part of a group which is a global leader in access solutions, offering doors, door and window hardware, mechanical and smart locks, access control and service for homes, businesses, and institutions.

ASSA ABLOY CANADA currently employs over 300 employees in Canada.

Supply Chain

ASSA ABLOY CANADA sources goods and services from various countries which can be in the form of raw materials (such as metals), finished goods (such as hinges, locksets, hardware etc.) and services related to the production and sourcing of our products. Our ultimate parent company, **ASSA ABLOY AB** has over 8,000 direct external material suppliers in its supply chain. Material suppliers are either selected and shared on a global basis, or some suppliers are directly engaged by **ASSA ABLOY CANADA's** procurement team.

Risks of Modern Slavery Practices in our Operations

In accordance with our Sustainability Program, we use 4 country risk indexes; 1) World Bank Worldwide Governance Indicators, 2) UNDP Human Development Index, 3) Transparency International Corruption Index, and 4) US Department of State Trafficking Report to identify countries that are at high-risk for corruption and human rights violations. Suppliers in those countries are required to be audited in accordance with our program. By the end of 2023, 1,188 of the 1,196 suppliers audited had satisfied our minimum sustainability requirements – equivalent to 94% of our total spend in identified risk countries. During 2023 the Group added 400 new suppliers to the audit scope. During the year, 72% of those new suppliers

were audited. No suppliers were added to the prohibited list and prevented from doing business with us, and 9 were put on “new-business hold” by the Group, while awaiting re-audit where previously identified issues should have been handled.

ASSA ABLOY CANADA believes its current process is appropriate to address the risk of any modern slavery being located within our supply chain, particularly since this risk in our industry is relatively low. We do however remain vigilant in finding new ways to gain greater transparency on our suppliers to further reduce risks of forced labour or child labour in our supply chain.

Policies and Due Diligence Processes on forced labour and child labour

In addition to actions taken above, in accordance with ASSA ABLOY AB’s Sustainability Program, key suppliers are required to complete a Supplier Self Survey and Assessment prior to supplying **ASSA ABLOY CANADA**.

In circumstances where the information provided by suppliers indicates misalignment with our Modern Slavery Policy, our commitment is to appropriately review the supplier’s operations or supply opportunity and determine whether it is appropriate for **ASSA ABLOY CANADA** to use that supplier.

If a supplier fails to comply or align with any mandatory element of our modern slavery requirements (or any similar ethical, environmental, or other supplier policy) we decline trading with them and advise them of the reason behind our decision.

Suppliers have the opportunity to reapply as a supplier to **ASSA ABLOY CANADA** once they can show they have remedied all outstanding issues.

A Business Partner Code of Conduct is maintained which is published and publicly available at the following link. As part of our ongoing due-diligence commitment, we ensured that in 2023, 95% of all our Business Partners signed our Business Partner Code of Conduct. <https://www.assaabloy.com/group/en/sustainability/code-of-conduct/code-of-conduct-business-partners>

Sustainability Audits are conducted in relation to key suppliers in developing countries. In 2023, 94% of our total supplier spend was audited. This type of audit includes a focus on Workers’ Rights and Modern Slavery. If any audited suppliers do not meet our expectations in this area, we may cease trading with them or, if there is an appropriate opportunity to use our relationship to push for positive change, we may give them a remedy period to enhance their operations in a way that aligns with our requirements – failing which trade would be ceased. Where our audit processes indicate close monitoring is appropriate, we seek to repeat these audits every half year. This ensures we can identify and respond to risks in a timely manner.

Some criteria in the audit checklist are of such significance that they are identified as stoppers, for example, child labour. We do not tolerate child labour in our own operations, or among our business partners. The Code does not accept any form of forced or bonded labour, or illegal workers. In addition, the Code reinforces our support for the right to freedom of

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 **ASSA ABLOY of Canada Ltd.**

Full name: Roy Park

Title: *COUNTY MANAGER*

Date: *MAY 27 2024*

Signature:



association and collective bargaining, as well as other working conditions, such as contracts, working hours and fair salary compensation. If a supplier fails to comply with these labour standards, they are placed on the prohibited list and their relationship with **ASSA ABLOY** is terminated immediately. Other stoppers, such as forced labour and remuneration that is not aligned with legislation, results in the supplier being put on “new-business hold.” If the supplier fails to improve within an agreed time frame, they are placed on the prohibited list. An increasing number of stoppers have been added to the auditing process in recent years, and more are expected in the coming years as sustainability measures increase.

On an annual basis, our parent company **ASSA ABLOY AB** publishes the latest Sustainability Report, which is made public and can be accessed using the following link. <https://www.assaabloy.com/group/en/sustainability/sustainability-reports>

This report, along with additional information available online, describes our sustainability initiatives and performance in 2023 for all ASSA ABLOY operations, and addresses issues that ASSA ABLOY has identified as the most important to our stakeholders.

Remediation

ASSA ABLOY CANADA has not, to date, found any supplier to be in breach of any modern slavery legislation which would warrant remediation efforts. However, it is the plan to develop remediation processes so we will be prepared to respond in an appropriate manner, if such an instance were to present in the future.

Effectiveness of ASSA ABLOY CANADA's Actions

Since **ASSA ABLOY CANADA** has not found any violations of modern slavery legislation in its supply chain to date, we believe the modern slavery processes that we have in place are effective in helping ensure our expectations are recognized and met.

Moving Forward

ASSA ABLOY CANADA remains committed to applying appropriate practices and policies to ensure it is supporting the ongoing efforts across society to help abolish modern slavery.

ASSA ABLOY CANADA is in the process of expanding its employee training on the existing Modern Slavery Policy, will be participating in Modern Slavery Prevention conventions, is exploring Supplier Mapping solutions, our Group Human Resources Department has developed and will be publishing a Health, Safety and Human Rights Policy. We also remain committed to reviewing any additional perceived opportunities to improve our overall goal of reducing modern slavery risk within our business and supply chain in the coming year.

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 or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the