

# Directors' Choice

**DIRECTORS' CHOICE CANADA**

**MODERN SLAVERY  
REPORT 2023**

*Published: June 20, 2024*



## INTRODUCTION

This Report describes the actions taken by Directors' Choice, its parent corporation and/or and its related subsidiaries (hereafter collectively referred to as "Directors' Choice")<sup>1</sup> from January 1, 2023, to December 31, 2023. The Report outlines the actions taken by Directors' Choice to address the risks of modern slavery, including forced labor and child labor, in its operations and supply chains, as required by the laws implemented in Canada. Directors' Choice recognizes the critical role of the private sector in ending modern slavery. Directors' Choice is therefore publishing the details of the steps it has taken in 2023 to ensure that modern slavery is not taking place in its own operations, as well as in its supply chains.

Directors' Choice has operations in Regina and in Dartmouth-Halifax, Canada. Directors' Choice's answering service business offers 24/7/365 round-the-clock answering services to handle incoming calls, ensuring that businesses never miss important client inquiries or messages. A significant portion, of calls fielded are outside of regular business hours or on weekends thus filling a valuable gap for Directors' Choice's clients. Call routing solutions are tailored to meet the unique needs of each client, ensuring that calls are directed to the right individuals or departments within the organization.

Directors' Choice is committed to corporate social responsibility and believes in acting ethically throughout our business. With a deep commitment to corporate social responsibility, Directors' Choice has embarked on an examination of its Canadian supply chain practices. This Report seeks to shed light on the current state of Directors' Choice's Canadian supply chain regarding forced and child labor.

We respect the human rights of individuals and communities impacted by our operations and services, and we commit to respect the principles of the: UN Guiding Principles on Business and Human Rights; UN Global Compact; OECD Guidelines for Multinational Enterprises; International Bill of Rights; ILO Core Labor Standards; Women's Empowerment Principles; Children's Rights and Business Principles, and Framework Principles on Human Rights and the Environment.

Directors' Choice has a zero-tolerance policy in relation to any form of modern slavery. We prohibit our people from engaging in, suggesting, allowing, or ignoring modern slavery, including forced labor, child labor, sexual exploitation or abuse and human trafficking, in the conduct of our business. This commitment is implemented through Directors' Choice's enterprise-wide policies and procedures.

Directors' Choice welcomes constructive engagement with all stakeholders, including suppliers, governmental authorities, and clients, to increase the effectiveness of its modern slavery risk mitigation practices. Directors' Choice will continue to adapt to maintain the highest standards of

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<sup>1</sup> *Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff* (Canada) (the "Canadian Act"). <sup>1</sup>For purposes of compliance with the Canadian Act, the phrase "modern slavery" should be understood to mean forced labour and child labour as defined in section 2 of this Act.

ethics and integrity in its business and relationships. This Report was approved by our Board of Directors.

## **OUR COMMITMENT TO SUPPLY CHAIN TRANSPARENCY**

### ***Entities Subject to Modern Slavery Disclosure Requirements***

Directors' Choice's operations in the following jurisdictions are subject to modern slavery disclosure requirements:

- **Canada:** Directors' Choice's parent corporation is a corporation organized under the *Canada Business Corporations Act*, which operates nationally and in the United States with the head office located at 33 Alderney Drive, Suite 200, Dartmouth, NS, B2Y 2N4, Canada.

In all our jurisdictions of operation, Directors' Choice's primary inputs are its skilled employees; the complex IT equipment and systems that our employees use and the offices where they work.

The scope and nature of Directors' Choice's business model and activities and jurisdictions of operation, being primarily the provision of services in the United States and Canada limit exposure to modern slavery risks in our supply chain.

- The suppliers of the Canadian business are in Canada, and the United States and are principally other entities controlled by Directors' Choice, other professional services companies, available to the public IT equipment and office equipment merchandise suppliers, landlords and a variety of service providers. Directors' Choice Canada also occasionally imports goods that are used in office locations in Canada where such suppliers of the imported goods are almost entirely located in the United States, and these suppliers may additionally have their own supply chains in overseas locations.
- Also Directors' Choice sources products and services to support office-based and administrative operational needs, including, but not limited to:
  - Property and utilities;
  - Facilities management and maintenance, including cleaning and security;
  - Information technology network/equipment, accessories, software, and consulting services;
  - Human resources such as benefits, training, recruitment, and contingent workers;
  - Financial services, including banking services and insurance;
  - Media, marketing, events, travel, and hospitality;
  - Professional services such as accounting, audit, legal and tax consulting; and
  - Data destruction, assets disposition, equipment refurbishments and collection.

Directors' Choice's policies reinforce Directors' Choice's commitment to addressing modern slavery.

### **Comprehensive Risk-Assessment Strategy**

Directors' Choice's centralized corporate supply chain is tasked with overseeing vendor management processes and procedures across all subsidiaries. Directors' Choice's centralized corporate supply chain relies on publicly traded and/or well known, reputable vendors for all its supply needs and the procurement of goods and services to support Directors' Choice's strategic objectives and is managed by a variety of teams and functions across our businesses, depending on the specific business need.

## **OUR POLICIES**

Through our policies and our Employee Policy Handbook, we communicate our values and expectations, setting a high bar for ourselves and our suppliers, making clear we do not tolerate modern slavery. We seek to address and eliminate forced labor and child labor in the supply chain by adhering to legal standards, conducting due diligence, maintaining transparency through monitoring and reporting, protecting whistleblowers, and continuously improving our supply chain practices in line with international standards. These measures collectively work to ensure these forms of labor exploitation are properly addressed within Directors' Choice's supply chain. We regularly review our policies to identify areas for improvement, a process supported by engaging with external stakeholders and benchmarking against evolving international human rights standards.

Directors' Choice strives to ensure that all individuals are treated with dignity and respect; that fundamental human freedoms are protected; and that those who violate Directors' Choice's policies are held accountable. Our policies demonstrate our commitment to respecting fundamental human rights around the world. We are committed to upholding and enforcing these rights in the workplace.

Our policies apply to all levels of employees and decisions at Directors' Choice, from major Board decisions to day-to-day business transactions and activities in which Directors' Choice may be involved. It is also equally applicable to Directors' Choice's vendors and contractors. Our policies outline the behaviour we expect from our employees, vendors, clients, contractors, and officers in the execution of their job and in maintaining Directors' Choice's reputation and ethical standards.

Our policies comprehensively address various areas, including, but not limited to:

### **1. COMPLIANCE WITH LEGAL STANDARDS**

Our policies commit to adhering to all applicable national and international laws, regulations, and treaties related to human rights, including specific prohibitions on hiring individuals under 18 years of age for positions involving hazardous work, thereby directly addressing child labor concerns.

### **2. DUE DILIGENCE**

Our policies reflect a commitment to due diligence, within our sphere of influence, spanning across our entire supply chain. This involves actively assessing and identifying potential human rights violations, including forced labor and child labor. Our hiring practices include performing background checks and proof of age as well as several reporting mechanisms for our employees to report suspicions of underage labor from our suppliers.

### **3. TRANSPARENCY**

Our policies emphasize the importance of regular monitoring and reporting of human rights performance. This transparent approach allows the organization to detect and address any instances of forced labor or child labor within our supply chain.

**4. WHISTLEBLOWER PROTECTION**

Our policies establish several reporting channels for the disclosure of violations or concerns and underscores a commitment to preventing any fear of retaliation against those making good-faith reports. This encourages employees and stakeholders to report any suspected cases of forced labor or child labor in our supply chain without fear of retaliation.

**5. ONGOING IMPROVEMENT**

Directors' Choice's commitment to continuously enhance human rights practices and policies extends to our supply chain. This means actively seeking ways to improve supply chain practices to address and prevent forced labor and child labor.

**Our Policies**

We are committed to conducting our business in a lawful and ethical manner. Our policies, procedures, training, and communications, ensures that every employee, vendor, client, contractor, officer, and Director is aware of Directors' Choice's values. All employees receive training during onboarding with regular refresher training thereafter. Directors' Choice provides various secure and accessible channels with guidelines for reporting concerns and violations. Anyone within or outside of Directors' Choice can reach out to anyone in their management chain or any member of the Board of Directors of Directors' Choice with questions about the application of these policies or how to approach difficult workplace situations.

**Our operations**

We believe there is no risk of modern slavery in our directly employed workforce, as the labor market in Canada and the United States is highly regulated, and the presence of unions who represent employees by negotiating employment conditions.

**Our supply chain**

Essentially all of our suppliers' operations are based in the country of operation (Canada) and/or the United States; the country of Directors' Choice's parent company's corporate headquarters. We believe these suppliers have a lower risk of modern slavery occurring in their supply chains, as their operations are Canada and/or United States based, and they are required to comply with the Acts (in Canada) within their own supply chains. To establish an initial baseline understanding, for our first year of modern slavery reporting, we mapped out our key suppliers and service providers. This enabled us to undertake a risk assessment of any modern slavery risks, or potential risks, within our supplier's operations and supply chains. None of our supplies are high-risk suppliers who are either located in or source their goods from high-risk countries.

**Steps Taken**

Risk Assessment: We regularly assess the risks related to modern slavery within our organization and supply chains. This includes evaluating our suppliers, contractors, and partners all of whom are publicly traded and/or well known, reputable entities operating in the United States or

Canada. Given Directors' Choice's geographical business footprint there is little to no exposure to high-risk countries.

**Supplier Due Diligence:** We conduct due diligence on our suppliers to ensure they share our commitment to ethical practices. We seek transparency from our suppliers regarding their own efforts to prevent modern slavery.

**Employee Training and Awareness:** Our employees receive training on recognizing and reporting signs of modern slavery. We encourage an open dialogue within our organization to raise awareness. In our on-premises locations where our staff have interactions with suppliers (i.e. cleaning companies, vending companies, etc.), they have been trained to specifically look for signs of modern slavery and in the proper means to report any suspected activities.

**Reporting Mechanism:** We have established a confidential reporting mechanism for employees and stakeholders to report any concerns related to modern slavery. Our three methods include two which can be anonymized, a form submission off our website or an email address to send these concerns, or lastly to their line manager.

## **EDUCATION AND AWARENESS**

At Directors' Choice, we are committed to fostering a culture of awareness and responsibility regarding human rights principles, ethical business practices, and legal obligations among our employees, contractors, and vendors. To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to all employees. All employees are expected to be alert to the risks, however small, in our business and in the wider supply chain and are instructed to report concerns and management are expected to act upon them.

## **CONCLUSION**

Directors' Choice has undertaken a thorough examination of its Canadian supply chains, with a focus on ensuring that every aspect aligns with our unwavering commitment to ethical practices and human rights. This assessment is part of our proactive approach to maintain and enhance the integrity of our operations. Through this report, Directors' Choice is reinforcing our commitment to accountability and ensuring that all stakeholders have access to a clear understanding of our supply chain practices.

In accordance with the requirements of the Acts, 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 information in the report is true, accurate, and complete in all material respects for the purposes of the Acts, for the reporting year listed above.

**June 20, 2024**

Erin Turley  
Chief Executive Officer