

ANNUAL REPORT Bill S-211

This report is made pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* S.C. 2023, c. 9 (the “Act”). The report outlines the approach and initiatives taken by Barcoding, Inc. (“**Barcoding**”) to identify and address the risks of forced labour and child labour in its business operations and supply chains in its 2023 financial reporting year.

OUR COMMITMENT

Barcoding is committed to preventing and reducing the risk that forced labour or child labour is used in the production of the goods it sells and imports to its customers in Canada and globally.

STRUCTURE, ACTIVITIES, AND SUPPLY CHAIN

Barcoding is a supply chain automation and innovation corporation that helps organizations be more efficient, accurate, and connected. Barcoding has extensive subject matter expertise in data capture and automation, labels and printing, mobile computing, and managed services, and is trusted to build and manage solutions for some of the best IT and operations teams in the world.

Barcoding is headquartered in Baltimore, Maryland with offices across North America. In Canada, the company is principally located in Québec. In addition to services and support, Barcoding resells data collection devices like barcode scanners, mobile computers, barcode and RFID thermal printers, RFID readers and portals, and other related hardware. The company is also engaged in the importation of goods into Canada that are produced elsewhere.

The component parts used in the manufacturing of the goods sold by Barcoding are primarily sourced and procured from Asia. The manufacturing of the equipment that is sold by Barcoding is largely done in China by several hardware manufacturing companies of mobile computing devices. The company distributes this hardware from various solutions-based distributors from their facilities in the United States and Canada.

With respect to the importation of goods, Barcoding is typically not the importer of record for this equipment. However, the company will, on occasion, ship items to Canada from its facilities within the United States and will serve as the importer of record in these instances.

STEPS TAKEN BY BARCODING IN THE PRIOR FINANCIAL YEAR

In 2023, Barcoding monitored suppliers by maintaining supplier codes of conduct and regular business reviews with key suppliers. These business reviews included a review of internal business activity and how the suppliers conducted their operations. Barcoding also conducted a general due diligence analysis of their external service providers’ business practices.

Barcoding complied with the federal requirement in the United States that an employer complete the Form I-9. The company also used the E-Verify process to confirm their employees' eligibility to work in the United States.

Barcoding intends to explore other steps the company can take to help prevent and reduce the risk that forced labour or child labour is used in the production process of the goods its sells or imports into Canada.

POLICIES AND DUE DILIGENCE PROCESSES

Barcoding maintains general due diligence processes that promote responsible, ethical, and legal business conduct, including with respect to labour practices. In subsequent reporting years, the company intends to develop and implement policies and processes that are specifically related to forced labour and child labour.

FORCED LABOUR AND CHILD LABOUR RISKS

Barcoding has not yet started the process of working to identify specific risks of forced labour and child labour that may exist in its activities and supply chains. The company is aware that there may be higher risks associated with certain regions, goods, and industries and intends to start the risk identification process in subsequent reporting years.

REMEDATION MEASURES

Barcoding has not identified any forced labour or child labour in its activities or supply chains. As such, the company has not undertaken any remediation measures.

REMEDATION OF LOSS OF INCOME

Barcoding 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 its activities and supply chains. As such, the company has not undertaken any income remediation measures.

TRAINING PROVIDED TO EMPLOYEES

Barcoding provides general training to its employees, including with respect to safe and legally compliant workplace practices and policies. In subsequent financial years, the company intends to assess what child labour and forced labour specific training may be appropriate for its employees.

ASSESSING EFFECTIVENESS

Barcoding does not currently have specific policies and procedures in place to assess its effectiveness in reducing or eliminating the risk of child-labour or forced labour in its supply chain. In subsequent financial years, Barcoding intends to explore methods it can use to assess its

effectiveness in ensuring that forced labour and child labour are not being used in its supply chains and activities.

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 entity 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 Act, for the reporting year listed above.

IN WITNESS WHEREOF the authorized signing officer(s) of Barcoding, Inc. have executed this report as of the effective date of the signatures set out below.

SIGNED

) **BARCODING, INC.**

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5-30-2024

Date



Name: Shane Snyder

Title: President & Chief Executive Officer

I have authority to bind Barcoding, Inc.