



Toward Sustainable Science

ANNUAL SUSTAINABILITY REPORT

2023





ABOUT THIS REPORT

STEMCELL Technologies has prepared this sustainability report to document our environmental, social, and governance (ESG) performance during our 2023 Fiscal Year: July 1, 2022, through June 30, 2023. This is our first standalone sustainability report and, as such, it contains historical information to contextualize the year's achievements and challenges, as well as a look forward to our sustainability ambitions and maturity. As a private company, STEMCELL is not required to publicly disclose financial information. However, as part of our commitment to operating responsibly, we will continue to report on our sustainability progress on an annual basis.

For more information about sustainability at STEMCELL, please visit stemcell.com or contact environmentalsustainability@stemcell.com.



LAND ACKNOWLEDGEMENT

STEMCELL ACKNOWLEDGES THAT OUR WORK SPANS MANY TERRITORIES AND THAT OUR HEAD OFFICE IS LOCATED ON THE TRADITIONAL UNCEDED TERRITORY OF THE XWMƏΘKWƏY̓ƏM (MUSQUEAM), SK̓W̓X̓WÚ7MESH (SQUAMISH), AND SƏ́ILWƏTƏʔɿ/SÉILWITULH (TSLEIL-WAUTUTH) COAST SALISH NATIONS. WE RECOGNIZE THE LAND AS AN ACT OF RECONCILIATION AND GRATITUDE TO THOSE WHOSE TERRITORY WE RESIDE ON AND ENJOY.

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A LETTER FROM OUR FOUNDER, PRESIDENT, AND CEO

STEMCELL Technologies was founded in 1993 as a spin-off from the Terry Fox Laboratory of the British Columbia Cancer Research Institute in Vancouver, Canada. Our company's mission was to provide life science researchers with robust, high-quality cell culture media for growing and studying blood-forming progenitors and stem cells. These carefully standardized media formulations allowed leading researchers to compare results between their labs, and it quickly became the world standard for reproducibly characterizing and enumerating blood and marrow progenitors and stem cells.



Today, we are proud to work closely with scientists around the world by offering more than 2500 quality reagents, tools, and services to support their research.

Our passion and desire for advancing scientific discovery, and helping to solve the biggest healthcare challenges of our time, are as strong as ever. At STEMCELL, we see ourselves as Scientists Helping Scientists. However, we recognize that practicing good science is about more than pursuing knowledge and testing hypotheses. Rather, we view our purpose through a wider lens and believe that to improve life everywhere over the long term, STEMCELL must operate and grow sustainably.

STEMCELL's formal Corporate Social Responsibility and Sustainability programs are relatively new, but we have already made big steps toward advancing our objectives. Our Environmental Management System (EMS), first granted ISO 14001 certification in Fiscal Year 2022, was recertified this past year after a rigorous third-party audit. I am proud to report in Fiscal Year 2023 that we successfully diverted 39% of our waste from landfills, a 14-point increase from the previous year—and we continue to set emission reduction targets to lower our carbon output and improve our environmental performance overall. It is clear that environmental protection and sustainability practices have quickly become part of our company culture. According to our most recent Annual Employee Engagement Survey, 78% of employees believe STEMCELL is committed to protecting the environment—a result that is three percentage points above the global benchmark.

This year, as part of a three-year corporate priority of Belonging, STEMCELL's Diversity, Equity, and Inclusion team launched six Employee Resource Groups in tandem with storytelling programs and campaigns to amplify

and celebrate more lived experiences in our workplace. We also announced big investments in benefits for gender-affirming care, additional mental health coverage, support for fertility treatments, and parental leave top-up allowance.

I am deeply proud of the way STEMCELL consistently supports the communities where we live and work. In Fiscal 2023, STEMCELL again provided donations to numerous causes such as environmental conservation, cancer research, and humanitarian aid. Through both collegial and corporate support, we continue to help organizations that remove barriers for people in equity-deserving groups who are looking to pursue a career in science, technology, engineering, or math—our STEM initiatives.

I am pleased to release this sustainability report to provide visibility on our progress around reducing our environmental impact, as well to outline the work we have ahead of us. In 2023, STEMCELL became a signatory of the UN Global Compact, which commits us to supporting its Ten Principles on human rights, labor, environment, anti-corruption, and the United Nations Sustainable Development Goals. We look forward to providing more reporting on this commitment, among others, in the future. In the interim, we will continue to listen to our customers, employees, and suppliers so we can better support the global scientific community and help create a sustainable future for everyone.

ALLEN EAVES, OC, OBC, MD, PhD, FRCPC
FOUNDER, PRESIDENT, AND CEO
STEMCELL Technologies

Dr. Allen Eaves is a physician, scientist, and entrepreneur. Before founding STEMCELL Technologies, he served as Director of the Terry Fox Laboratory, was Head of Clinical Hematology at the University of British Columbia, the Vancouver General Hospital, and the BC Cancer Agency, and is credited for developing Canada's first and largest bone marrow transplant program.

ABOUT STEMCELL TECHNOLOGIES

Overview

STEMCELL Technologies provides over 2500 high-quality cell culture media, cell separation technologies, instruments, accessory products, and services to scientists around the world working on stem cell, immunology, cancer, regenerative medicine, and cellular therapy research. Based in Vancouver, British Columbia, STEMCELL is Canada's largest biotechnology company, with more than 2300 employees globally. We are dedicated to improving lives by advancing knowledge and scientific discovery, fostering inclusion in science, technology, engineering and math (STEM), and investing in sustainability and corporate social responsibility. Rooted in scientific expertise and rigor, we are a company of Scientists Helping Scientists and we care deeply about making the world a better place.



PRODUCTS AND SERVICES

- **Cell Culture Media and Supplements:** Reagents to support the growth and maintenance of mammalian cells, tissues, and organoids for in vitro study and experimentation
- **Cell Isolation Systems:** Products to isolate virtually any cell type using antibodies and magnetic beads or centrifugation
- **Instruments and Software:** Automated solutions for key laboratory processes to increase throughput and improve standardization
- **Primary and Cultured Cells:** Ethically sourced human primary and quality cultured cells to increase the physiological relevance of experimental models for the study of biological processes, disease progression, and drug discovery
- **Services:** A broad range of resources and support, including contract assay services, training programs, custom product solutions, and science communication programs

CELL CULTURE MEDIA AND SUPPLEMENTS



CELL ISOLATION SYSTEMS



INSTRUMENTS AND SOFTWARE



PRIMARY AND CULTURED CELLS



SERVICES





Our Mission, Vision, and Values

At STEMCELL, we work hard to maintain strong links to academia and industry so that we remain at the cutting edge of science and technology. Listening to those who use our products and services, and seeking better ways to help them is our highest priority. We are passionate about the pursuit of scientific knowledge, and we want to support research every step of the way by providing the highest quality

products and sharing our technical and scientific expertise through training courses and personalized technical support.

Our vision, simply, is to be in every lab. If there is a lab anywhere in the world that is doing life sciences research where our products, services, expertise, and collaboration can add value, we want to be there and have a meaningful relationship with that lab and its researchers. We intend to achieve our vision while maintaining our core values of Innovation, Quality, Responsiveness, Integrity, and Collaboration.

OUR MISSION

To advance the pursuit of scientific knowledge by supplying high-quality, innovative reagents, tools, and services that enable life sciences research.

OUR VISION

To have our products used in all research labs around the world, facilitating discoveries in life sciences.

OUR CORE VALUES

Innovation

We nurture creativity and drive innovation.

Quality

We strive to meet the highest standards.

Responsiveness

We move quickly to advance basic and clinical research.

Integrity

We are truthful and ethical in all our dealings.

Collaboration

We work with researchers to advance scientific knowledge.

Photo: Carmanah Walbran
Provincial Park, Vancouver Island,
BC, Canada, Dave Hutchison

OUR SUSTAINABILITY JOURNEY



**STEMCELL supports the United
Nations Global Compact**

STEMCELL Technologies is a purpose-driven company committed to conducting all aspects of our business responsibly and sustainably. To fulfill this commitment, we are taking a holistic and systematic approach to measuring and managing our environmental, social, and governance (ESG) performance as well as sharing our progress on this journey with our customers, suppliers, partners, and employees.

In some areas, we have a long track record of contributions. For example, STEMCELL has been engaged in community giving since our inception. In other areas, such as measuring and monitoring our greenhouse gas (GHG) emissions, we are now starting

to formalize our efforts. Overall, we are broadening our program scope and reporting capacity to increase our sustainability capabilities.

To ensure we are investing in the most meaningful actions and that we are aligned with global needs and best practices, this year we joined the UN Global Compact, the world's largest corporate sustainability initiative.¹ In doing so, we are committed to aligning our strategies and operations with its Ten Principles on human rights, labor, environment, and anti-corruption as well as supporting the United Nations Sustainable Development Goals.

¹ <https://unglobalcompact.org/what-is-gc>

FISCAL YEAR 2023 AT A GLANCE

In Fiscal Year 2023, we achieved a number of operational accomplishments and sustainability milestones.

Corporate Governance

ISO 13485
ISO 9001

Recertification of our Canadian facilities' Quality Management System (QMS)

> 44%

Members of the Executive Management Team and Advisory Board who identify as women

80%

Supplier participation in ESG Questionnaire

10%

Revenue that is reinvested in R&D

Environmental Sustainability

ISO 14001

Recertification of our Canadian facilities' Environmental Management System (EMS) with 0 nonconformities

2025

Year by which we commit to being carbon neutral

39%

Landfill diversion rate

0

Environmental incidents at all STEMCELL facilities

Culture and Colleagues

92%

Employees who agree with the statement, "I am proud to work for STEMCELL"

57%

Employees who identify as women

53.5%

Employees² who self-identify as Black, Indigenous, or People of Colour (BIPOC)

6

Employee Resource Groups (ERGs) launched

Community Impact

> 4000

Participants in our Foster STEM Education initiatives

100%

Achievement of all company charitable campaign fundraising goals

85%

Employees who agree with actions we are taking to be socially responsible

> 50

Community and academic organizations supported

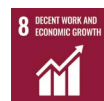
² Based in North America

Sustainable Development Goals

We recognize the importance of aligning our sustainability approach with international non-governmental guidance and targets for tackling the most pressing issues affecting people and the planet. This year, we joined the UN Global Compact, making a commitment to support both its Ten Principles and the Sustainable Development Goals (SDGs). Of the 17 SDGs, we have identified eight that STEMCELL is well-positioned to help advance.



- Enable life sciences research by supplying high-quality tools and services to the scientific community
- Support researchers and charitable organizations with their mandates to alleviate suffering
- Ensure the health, safety, and well-being of our employees



- Create jobs via sustainable, inclusive growth.
- Offer fulfilling careers by cultivating a healthy and rewarding work culture
- Contribute to the development of the technology and innovation economy as well as the global life sciences industry



- Offer co-op programs and paid internships to students interested in careers in STEM
- Enable continuous learning internally via our 1787 courses on STEMCELL's learning platforms, and externally via our 560 Learning Support Program courses
- Support STEM learning organizations and provide scholarships



- Maintain an equal opportunity, inclusive workplace for individuals regardless of gender, race, national or ethnic origin, color, religion, age, sexual orientation, marital or family status, or physical or mental disability
- Monitor demographic data and address gaps to achieve greater representation and equality
- Support Employee Resource Groups (ERGs) in order to foster a diverse, inclusive workplace



- Ensure STEMCELL is a safe and inclusive environment free of discrimination on the basis of sex and gender
- Maintain gender parity and avoid inequalities related to gender
- Support community organizations working to increase the representation of women and nonbinary people in STEM



- Incorporate sustainability practices into all stages of product development, including procurement, manufacturing, transportation, and disposal
- Use natural resources efficiently and responsibly
- Reduce overall waste generation and intensity through prevention, reduction, recycling, and reuse



- Comply with all water regulations
- Seek to measure facilities' water usage and work to reduce water usage
- Educate employees on the importance of protecting and conserving water



- Significantly reduce greenhouse gas (GHG) emissions by setting aggressive targets and adopting more efficient behaviors and technologies
- Ensure sustainable use of land and natural resources by promoting policies and practices that protect biodiversity and ecosystems
- Invest in conservation and climate change mitigation

CORPORATE GOVERNANCE

Overview

STEMCELL Technologies is based in Vancouver, British Columbia and is the largest biotechnology company in Canada. With more than 2300 employees, we deliver products directly in 22 countries, serve customers in 100 countries, and operate distribution centers in Vancouver, Seattle, Grenoble, Singapore, Melbourne, and Beijing. In addition, we have offices in Cambridge, USA,

Cambridge, UK, Cologne, Germany, Shanghai, and Guangzhou, China, and Seoul, South Korea. Good governance is foundational to running our global business in accordance with our values, and STEMCELL's leadership is committed to acting fairly and ethically in all our business endeavors. Material governance topics include Corporate Governance, Financial Governance and Tax, and Ethics and Transparency.





Photo: Toboggan Falls, Mount Robson
Provincial Park, BC, Canada, Jerry Kobalenko

FISCAL YEAR 2023: CORPORATE GOVERNANCE AT A GLANCE

ISO 9001

Recertification of our
Canadian facilities' Quality
Management System (QMS)

ISO 13485

Recertification of our Canadian
facilities' Medical Devices QMS

45%

Executive Management Team
who identify as women

80%

Supplier participation in
ESG Questionnaire

10%

Revenue that is
reinvested in R&D

44%

Advisory Board who
identify as women



Corporate Governance

STEMCELL's President and CEO, Dr. Allen Eaves, leads a management team of senior executives who direct business strategy and operations. Of note, 45% of this management team identify as women. Members of this executive team are accountable for Environmental Sustainability, Corporate Social Responsibility, and Human Resources and, therefore, major environmental, social, and governance (ESG) initiatives, opportunities, and risks are reviewed and discussed at the company's most senior levels.³ To help STEMCELL continue to develop its operational and governance standards, advice and guidance is provided to the STEMCELL Group of Companies by an Advisory Board of established and independent advisors who have knowledge of the life sciences sector. Forty-four percent of Advisory Board members identify as women. All Executive and Advisory Board meetings are minuted and decisions are recorded.

Financial Governance and Tax

To ensure appropriate fiscal controls, STEMCELL has a Commitment and Expenditure Policy that sets expenditure limits according to seniority while also outlining the various authorizations required to make financial and legal commitments. Executive pay has been evaluated by a third party to ensure it is appropriate relative to employee compensation. As a Canadian corporation, STEMCELL pays taxes in Canada, as well as globally where we have a business presence. STEMCELL is subject to regular tax audits and deals transparently, professionally, and appropriately with all tax authorities, including our lead regulator, the Canada Revenue Agency. Finally, STEMCELL's financial statements are audited annually to ensure management has presented a true and fair view of the company's financial performance.

Ethics and Transparency

Integrity is a core STEMCELL value, and we adhere to the highest ethical standards in our day-to-day business dealings. We require our employees to demonstrate this value in their work and to comply with all applicable laws and regulations when conducting STEMCELL business. The foundation of our compliance program is our Code of Conduct Policy, which covers a broad range of topics including, but not limited to, whistleblowing, confidentiality, anti-corruption and bribery, conflicts of interest, and legal compliance. All staff are required to review and sign the Code of Conduct. Our Annual Employee Engagement Survey also enables us to obtain feedback from our employees on how we can better live by our value of Integrity.

³ Environmental Management System governance is outlined on page 23. Diversity, Equity, and Inclusion program governance is discussed on page 40.



ETHICS IN SCIENTIFIC RESEARCH

In addition to fair and ethical business operations, we have robust systems in place that ensure our products are used ethically in their applications in scientific research.

Despite efforts by regulators to take disciplinary action against unregulated stem cell clinics, there remains a large market for unapproved stem cell therapies that may be harmful, unproven, and even fraudulent. To protect patients and prevent our products from being used for purposes outside of their intended use, we conduct rigorous risk assessments when qualifying new customers. Our Risk Assessment standard operating procedure outlines the steps STEMCELL employees must take to determine if any restrictions should be placed on selling products to certain entities, such as those that are suspected of obtaining products manufactured or supplied by STEMCELL for purposes outside of their intended use or for unauthorized distribution.

In keeping with STEMCELL's commitment to enable life sciences research, including the development of novel cell and gene therapies, our team works closely with clinical trial sponsors to assist in the qualification of STEMCELL products as ancillary materials (also known as raw materials) for use in clinical manufacturing under approved Investigational New Drug/Clinical Trial Applications. The team assists customers in meeting regulatory requirements to achieve clearance for clinical trial applications, provides researchers with the information needed to assess the safety and effectiveness of our products in their workflows, and, where applicable, provides tailored support and customized products for specific clinical workflows.

STEMCELL supplies cells and cell lines isolated from human donors for use in research applications such as disease modeling, genome editing, and drug discovery. To ensure these human cells are procured ethically, in compliance with all applicable legislation, and used in accordance with donors' wishes, our

Quality Assurance team has a comprehensive system of checks and balances in place. These include in-person audits of donor facilities to ensure compliance with regulatory requirements and vigilant protection of the rights, safety, and welfare of human subjects. We also closely monitor the internal use of human biological materials.

Finally, STEMCELL has developed innovative products—such as those for growing organoids—that may reduce or eliminate the need for animal models in some research applications. We also provide an increasing range of animal origin-free (AOF), animal component-free (ACF), and xeno-free (XF) products that are produced by eliminating or reducing the use of animal-derived primary or secondary raw materials in the manufacturing process.⁴

⁴ www.stemcell.com/how-do-we-define-our-media.html

Quality Management

At STEMCELL, quality drives everything we do. As one of our core company values, it is an ingrained part of our culture: we invest in quality to achieve our goal of advancing scientific knowledge by enabling research. To ensure we always meet the highest quality standards, we operate a Quality Management System (QMS) in compliance with relevant and current regulatory requirements and continuously work to improve our QMS, products, and services.

OUR QUALITY POLICY

We are committed to:

1. Superior product quality and customer service driven by continuous improvement, customer satisfaction, and innovative scientific research.
2. Compliance with applicable regulatory requirements and maintaining an effective QMS.

QUALITY MANAGEMENT SYSTEM AND CERTIFICATIONS

A QMS is a formal system of processes, procedures, and responsibilities for achieving quality policies and objectives. It helps coordinate and direct activities to

meet customer and regulatory requirements, drives continuous improvement, and contributes to efforts to enhance customer satisfaction.

STEMCELL's QMS is certified to ISO 13485:2016 Medical Devices and ISO 9001:2015.⁵ These international standards, developed by the independent, non-governmental International Organization for Standardization (ISO), define the requirements for operating a QMS for the design and manufacture of medical devices and related services. Certification verifies that these standards are met by evaluating inputs and outputs throughout the entire product life cycle, from design and production to assessing customer satisfaction and informing necessary improvements.

Our ISO 13485- and ISO 9001-certified QMS encompasses critical areas, including:

- Training staff to effectively support all customer scientific and service needs
- Qualifying, calibrating, and maintaining equipment used to design, manufacture, and test products
- Maintaining a stringent supplier qualification, selection, and management process

- Requiring comprehensive traceability of components and products
- Running a Corrective and Preventive Action (CAPA) Program
- Performing regular internal audits of all critical processes

STEMCELL has registered a number of In Vitro Diagnostic (IVD) Medical Device products according to country-specific requirements. Several of STEMCELL's products are CE Marked⁶ or are registered with country-specific agencies such as the US Food and Drug Administration (FDA), Australian Therapeutic Goods Administration (TGA), and Health Canada.⁷

AWARENESS AND TRAINING

All of STEMCELL's quality policies and procedures are controlled in a document management system, and employees are required to complete the required training as it becomes available. Each year the Quality Department hosts a Quality Week campaign for our employees, which consists of educational and engaging events that reinforce quality practices.

⁵ Access regulatory documentation, including certificates, at www.stemcell.com/regulatory-support#documentation

⁶ CE Marking affirms a product conforms with European health, safety, and environmental protection standards required for goods sold in the European Economic Area. "CE" is the abbreviation of "conformité européenne," (French for "European conformity").

⁷ Learn more about STEMCELL's regulated products and instruments at www.stemcell.com/regulated-products.

Privacy and Data Protection

Adherence to the applicable privacy and data protection laws is of paramount importance at STEMCELL. As a global company, we are continuously monitoring this area and assessing current compliance along with the impact of legislative changes on the business. Our objective is to ensure that personal data are processed and stored according to the relevant laws in applicable jurisdictions. STEMCELL complies with all applicable privacy and data protection legislation, including:

- British Columbia Personal Information Protection Act
- California's Consumer Privacy Act
- EU's General Data Protection Regulation
- Canadian Anti-Spam Legislation

Staff who operate and implement systems that store personal information are required to review and sign our Privacy and Personal Data Protection Policy. STEMCELL has a Data Privacy Officer and our Privacy Program is supported by our legal counsel and information security team members to identify applicable regulations, update privacy controls, and maintain compliance.⁸

⁸ More information on STEMCELL's privacy policy can be found here: <https://www.stemcell.com/privacy-policy>.





Responsible Sourcing

STEMCELL's core values require us to take responsibility for not only the ESG activities we control directly but also for those we can influence in our value chain. We draw upon a vast and complex global network of thousands of suppliers that often provide highly technical or specialized raw materials, products, equipment, and other critical goods and services required to support the manufacture, validation, and distribution of our products.

STEMCELL's Sourcing Policy outlines our procurement principles and expectations for sourcing goods and services from suppliers. It states the requirement that all sourcing agents must comply with STEMCELL's Code of Conduct Policy and all applicable laws when interacting with suppliers. Furthermore, all supplier agreements oblige suppliers to comply with all applicable laws within their jurisdictions.

In Fiscal Year 2023, STEMCELL piloted a new ESG risk assessment initiative by incorporating ESG criteria into our established Supplier Performance Evaluation Program. Suppliers identified as having the highest impact to the quality, safety, and/or performance of STEMCELL products were onboarded into the Supplier Performance Evaluation Program and were sent a Supplier ESG Questionnaire, requesting information about their policies, actions, and records regarding:

- Labor and Human Rights (e.g. child labor, forced labor, modern slavery, servitude and human trafficking, community impact, and Diversity, Equity, and Inclusion)
- Ethics and Transparency (e.g. anti-corruption, anti-bribery, conflict of interest, fraud, money laundering, and anti-competitive practices)
- Cybersecurity (e.g. information security infrastructure, certifications, and incident response plans)

- Occupational Health and Safety (e.g. program accreditation, emergency preparedness, employee participation, accident investigation, rehabilitation/return to work, company security, visitor screening, fire protection, restricted areas, performance tracking, and reporting)
- Environmental Sustainability (e.g. public commitments to sustainability, program certification(s), greenhouse gas measurement, targets, performance tracking, audits, and waste management reporting)

In Fiscal Year 2023, we received a very positive 80% response rate to the Supplier ESG Questionnaire. Our analysis of the responses shows a wide spectrum of sustainability maturity across our supplier base. We are using these findings to inform the next steps of our Supplier Performance Evaluation Program, which includes the development of tailored action plans for the 37% of respondents we identified as being at the beginning of their sustainability journey.

SUPPLIER DIVERSITY

With more than 2500 specialized products in our portfolio, STEMCELL depends on a robust, resilient, and diverse supply chain. Supplier diversity is important for many reasons, including risk mitigation against shortages, inflationary pressures, and disruptions caused by climate change. Forming strong, trusting, and lasting relationships with our suppliers ensures continuity of service while enabling us to align our values with our supply chain partners.

At STEMCELL, we care deeply about all peoples' rights to live safe, healthy, authentic lives free from discrimination of any kind.⁹ To gain an understanding of our suppliers' social impact performance, our Supplier ESG Questionnaire included a Diversity, Equity, and Inclusion (DEI) assessment, providing us with information that we can now use to address our own policies, actions, and incidents related to:

- DEI awareness, training, and programs
- Anti-discrimination and anti-harassment
- Employee Resource Groups
- Demographic tracking and metrics for equity-deserving groups¹⁰

Results from this assessment will form the foundation of STEMCELL's Supplier Sustainability and DEI Program launching in Fiscal Year 2024.

MODERN SLAVERY

Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labor, and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain.¹¹

Many jurisdictions in which STEMCELL operates have enacted anti-slavery legislation consistent with the Modern Slavery Act introduced in the United Kingdom (UK) in 2015. This legislation typically provides that the prevention, detection, and reporting of modern slavery in any part of our business or supply chains is the responsibility of all those working for us or under our control. Our current policy follows the requirements set out in the UK Act as it pertains

to our UK office and we shall expand and build out this policy in accordance with all of the global legislative requirements. All employees, working for or on behalf of our UK entities in any capacity, are required to avoid any activity that might lead to, or suggest, a breach of this policy and must notify management if a breach has occurred or may occur in the future. Employees are also encouraged to raise concerns about any issue or suspicion of modern slavery in any parts of our business or supply chains at the earliest possible stage and follow reporting procedures in accordance with our Whistleblowing Policy as soon as possible. With the royal assent on May 11, 2023 of Canada's own Modern Slavery Act (Bill S-211, or the Fighting Against Forced Labour and Child Labour in Supply Chains Act), we are currently working to meet Canadian reporting requirements coming into effect on January 1, 2024.

⁹ See Colleagues and Culture (page 36) to learn more about our corporate DEI program.

¹⁰ Equity-deserving groups include women, Black, Indigenous, and other People of Color (BIPOC), people with disabilities (visible or invisible), and 2SLGBTQ+ (Two-Spirit, Lesbian, Gay, Bisexual, Transgender, Queer or Questioning, and other sexual orientations/identities) in STEM.

¹¹ <https://www.ilo.org/global/topics/forced-labour/definition/lang--en/index.htm>

Corporate Governance - Challenges and Ambitions

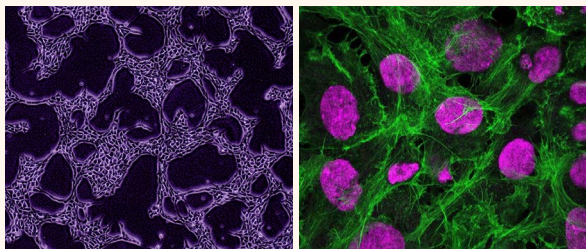
In Fiscal Year 2024, STEMCELL will be building out aspects of its Governance reporting in alignment with the UN Global Compact framework, including conducting and reporting on metrics associated with anti-corruption training and risk assessment. With regards to human rights, we will be expanding the scope of our modern slavery policies as discussed above as well as ensuring our policies and procedures align with the UN Global Compact principles one and two. Finally, we are launching our Supplier Sustainability and DEI Program in Fiscal Year 2024, which will expand our understanding of our carbon footprint from purchased goods and services.



Operations and Governance in Action

Ethics, Transparency, and Quality Create Infinite Research Potential

Scientists researching the biology and treatment of disease can encounter challenges when faced with a lack of accessible donor tissue. Induced pluripotent stem cells (iPSCs) are cells derived from skin or blood that have been reprogrammed into a pluripotent state, meaning that they have the ability to self-renew and develop into many different cell types. In other words, human iPSCs make it possible to generate an unlimited quantity of previously inaccessible cell types, such as neurons (brain cells) and cardiomyocytes



Images of Human Pluripotent Stem Cells Grown from STEMCELL's iPSCdirect™ (left) or SCTi003-A (right) Induced Pluripotent Stem Cell (iPSC) Products.

(heart cells), while capturing the genetic diversity of patients, thus opening previously closed doors to scientific discovery and global health.

In Fiscal Year 2023, STEMCELL launched two iPSC products¹² for research use. Potential applications may include the study of the molecular mechanisms of disease, the development of potential cell and gene therapies, and drug discovery and toxicity testing. To bring these innovative products to scientists, we followed or exceeded the highest ethical, quality, and industry standards. STEMCELL is an advocate for standardizing human pluripotent stem cell data reporting and quality control measures, and we developed our commercial iPSC quality assessments and release criteria based on recommendations and guidance from the International Stem Cell Banking Initiative (ISCBi; 2009)¹³, the Global Alliance for iPSC Therapy (GAIiT; 2018)¹⁴, and the International Society for Stem Cell Research (ISSCR) Standards for Human Stem Cell Use in Research (2023)¹⁵. By increasing the accessibility of high-quality, standardized iPSCs, we are contributing to enhancing rigor in preclinical research and ultimately strengthening the pipeline of therapies for patients.

As a result of our commitment to the highest standards in quality and ethics, researchers using STEMCELL's iPSC products can be confident that they are ethically sourced, donor-consented, and Institutional Review Board (IRB)-approved for academic and commercial research. Additional transparency is provided by the registration of our iPSC lines in hPSCreg®—a global hPSC registry that improves visibility, confidence in ethical provenance, validation of characterization data, and comparability with other registered lines.

STEMCELL is actively working to create additional iPSC lines of varied ancestry to support research applications that are representative and inclusive of the diverse human population. At present, the majority of patients who participate in clinical trials are White, yet people of all races are ultimately treated by therapies arising from these studies. If diversity is not reflected in scientific research, we lose confidence in the efficacy and increase the risk of side effects of the resultant therapies across different groups. By creating more diverse iPSC lines, STEMCELL hopes to make life science research more inclusive and its benefits more accessible and effective for everyone.¹⁶

¹² <https://www.stemcell.com/ipscdirect-healthy-control-human-ipsc-line-scti003-a.html>

¹³ https://stemcellforum.org/forum_initiatives/international_stem_cell_banking_initiative.cfm/

¹⁴ <http://www.gait.global/>

¹⁵ www.isscr.org/standards-document

¹⁶ To learn more about iPSCs or to contact the iPSC team, visit our Frequently Asked Questions about iPSCs page: <https://www.stemcell.com/technical-resources/educational-materials/tech-tips/ipsc-faq.html>

ENVIRONMENTAL SUSTAINABILITY

Overview

STEMCELL recognizes that human activity is changing the earth's climate in unprecedented ways, with some of the changes now inevitable and irreversible. Only rapid and drastic reductions in greenhouse gases (GHGs) in this decade can prevent a climate breakdown.¹⁷ Aspects of STEMCELL's operations, including aseptic production methods and cold chain shipping, pose unique challenges to this imperative. Furthermore, STEMCELL is a high-growth company with a large, ever-expanding product portfolio and geographic footprint. To responsibly further our mission to advance science, we must operate and grow sustainably. To this end, we established an

Environmental Management System (EMS), certified to ISO 14001 and governed by our EMS Executive Management Team, in order to understand, monitor, and improve our environmental impact in four key performance areas: climate, waste, energy, and water. To improve the sustainability of our products, we take a lifecycle approach and consider environmental impact at all stages of new product development. Our Annual Employee Engagement Survey has shown us that sustainability is important to STEMCELL employees, and we have mechanisms in place to gather feedback and ideas to continuously improve our EMS. This Environmental Sustainability section of our report will describe our EMS approach, goals, and results for Fiscal Year 2023.

¹⁷ IPCC 6th assessment report <https://www.ipcc.ch/report/ar6/wg1/>



Photo: Moraine Lake and the Valley of the Ten Peaks, Banff National Park, AB, Canada, John E Marriott

FISCAL YEAR 2023: ENVIRONMENTAL SUSTAINABILITY AT A GLANCE

2025

Year by which we commit to being carbon neutral

39%

Landfill diversion rate

121%

Fulfillment of Earth Day campaign target

14

Sustainability projects and initiatives in progress

0

Environmental incidents at all STEMCELL facilities

0

Nonconformities during ISO 14001 Environmental Management System (EMS) Audit



Photo: STEMCELL celebrated the certification of our EMS in June, 2022, with ISO 14001-branded macarons

Environmental Management System

In early 2022, we established our Environmental Management System (EMS)—now certified to ISO 14001¹⁸ in our Canadian operations—to understand, measure, and mitigate our environmental impact. Doing so requires us to develop a thorough understanding of the environmental context in which we operate and take inventory of the issues, interested parties (stakeholders), compliance obligations, risks and opportunities, and aspects of our business that impact the environment (“environmental aspects”). With this context defined, we established our baseline, set targets, and took

steps to reduce our impact in two key areas: Carbon Intensity¹⁹ and Waste Intensity²⁰. Within these key areas, we prioritized factors contributing to carbon and waste intensity based on their impact rating and our ability to quantify and address them.

The scope of our EMS is the design, manufacture, distribution, and sales of Good Manufacturing Practice (GMP) products and Research Use Only (RUO) products, reagents, and laboratory equipment; which are complemented by services, including contract assays, proficiency testing, and training. All research and development (R&D) and manufacturing activities, alongside the environmental initiatives described in the Environmental Sustainability section below, take place at our Canadian facilities.²¹

¹⁸ View our certificate here: www.stemcell.com/media/files/certificates/ISO14001-Certificate-2022.pdf

¹⁹ Carbon intensity is measured in tonnes of CO₂ equivalent (CO₂e) per million dollars of revenue, in Canadian dollars.

²⁰ Waste intensity is measured in tonnes per million dollars of revenue, in Canadian dollars.

²¹ Our locations: www.stemcell.com/locations

OUR ENVIRONMENTAL POLICY

We are committed to:

1. Protecting the environment by adopting good environmental management practices, reducing waste, and minimizing STEMCELL's contribution to climate change
2. Compliance with all applicable environmental legislation and regulations
3. Continuous improvement and maintaining an effective Environmental Management System

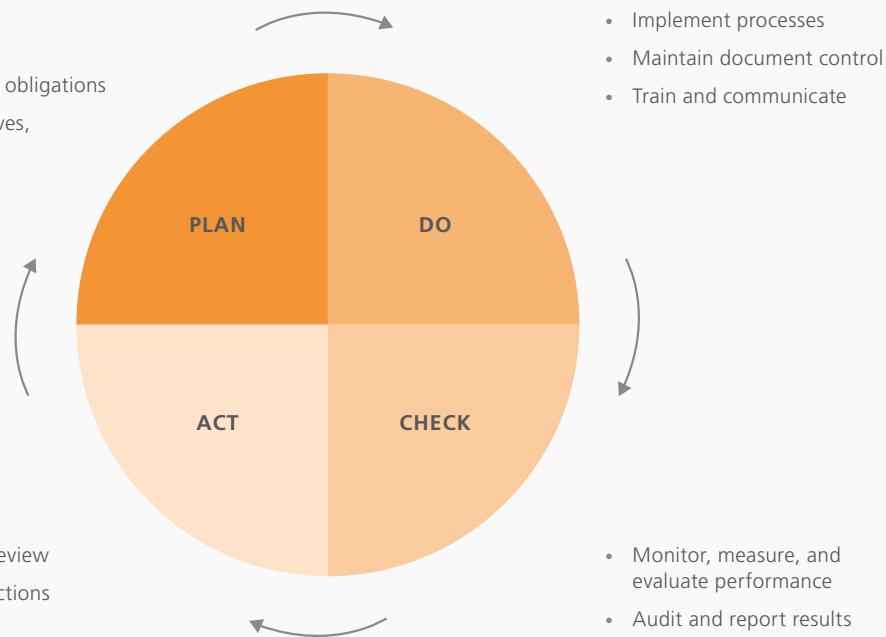
Our EMS follows a Plan-Do-Act-Check model, which enables continuous improvement, and is governed by the EMS Executive Management Team.

The EMS Working Group, a group of representative employees from across the company, is responsible for reviewing our environmental aspects and risks on an annual basis. This group also reviews and recommends sustainability projects for the company to prioritize in the upcoming year and is responsible for relaying feedback and messages from the various departments to the EMS Executive Management Team. All EMS roles, as well as the roles of department heads and their departments, the Environmental Manager, and all employees, are defined in the EMS Roles and Responsibilities Policy.

Our EMS is audited annually by a third party in order to ensure our system is conforming to the ISO 14001 standard and that we are following the policies and procedures we have established. In Fiscal 2023, we passed our first surveillance audit with no nonconformities.

Plan-Do-Act-Check Model

- Understand significant aspects and impacts
- Understand compliance obligations
- Establish policy, objectives, and targets

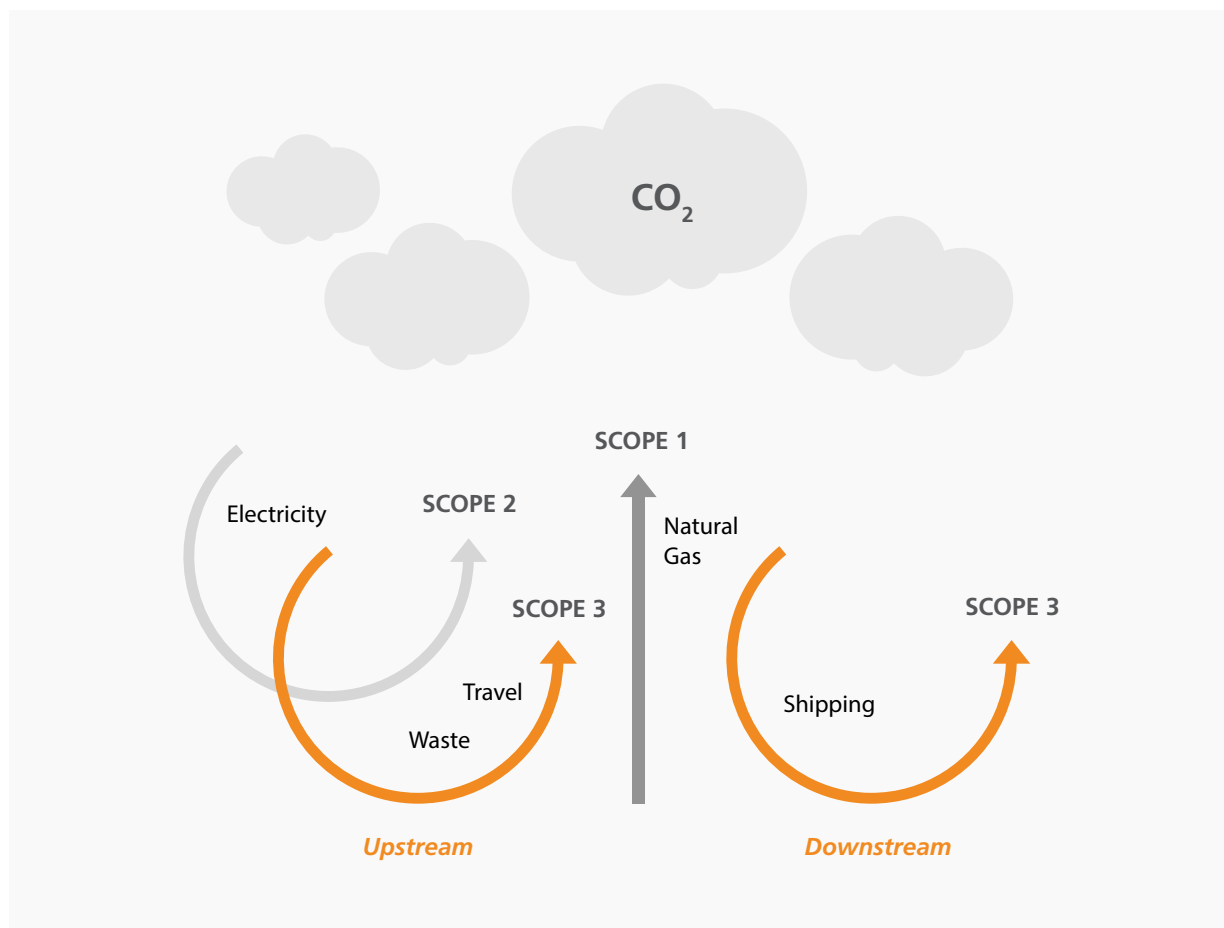


Climate

STEMCELL is working to reduce the amount of carbon dioxide (CO₂) we add to the atmosphere, as part of efforts to avert the worst effects of climate change. Our carbon accounting is informed by Greenhouse Gas (GHG) Protocol guidelines and outlined in our EMS Environmental Monitoring Plan.

Carbon emissions are classified into three scopes:

- Scope 1 emissions are direct GHG emissions that occur from sources controlled or owned by the organization.²² STEMCELL's current primary Scope 1 emissions are from our consumption of natural gas within our facilities.²³
- Scope 2 refers to emissions associated with the purchase of electricity, steam, heating, or cooling.²⁴ STEMCELL's current primary source of Scope 2 emissions is renewable hydroelectric power used in its facilities.
- Scope 3 emissions are the result of activities the organization does not control directly or indirectly but that it influences in its value chain. We are currently measuring four sources of Scope 3 emissions, selected for their significance at STEMCELL: employee business travel and waste, which are upstream (related to the production of our products and services), as well as shipping and dry ice usage, which are downstream (related to our products distribution and use). We intend to expand the boundary of our Scope 3 accounting over time.



STEMCELL's primary sources of GHG emissions are: Scope 1 and 2 emissions arising from electricity and natural gas use, and Scope 3 emissions arising from employee business travel, waste, shipping and dry ice usage.

²² https://ghgprotocol.org/sites/default/files/standards/Scope3_Calculation_Guidance_0.pdf

²³ STEMCELL's backup generators run on diesel fuel. Backup generators are for emergency use only and not part of normal operations. Testing and maintenance of these units contributes less than 0.1% of our carbon intensity.

²⁴ See note 23.

Shipping is currently STEMCELL's largest carbon contributor, followed by dry ice, natural gas, employee business travel, waste, electricity, and diesel (see Figure 1). Our EMS Executive Management Team set a target in Fiscal Year 2023 to reduce our carbon intensity by 5%, and several projects were launched to investigate opportunities to reduce emissions in these areas. Unfortunately, we did not achieve our carbon reduction goals and our overall (Scopes 1, 2, and 3 combined) carbon emissions increased 4% over the same period last year. This increase was driven by the resumption of employee travel following

the removal of pandemic restrictions, as well as the opening of a new facility whereby natural gas consumption increased. However, we are pleased to report we realized efficiencies across shipping, dry ice, and waste, with a reduction in the year-over-year intensity of 8%, 9%, and 20% in these areas, respectively (absolute numbers, see Figure 2 for data indexed to Fiscal 2022).

In Fiscal Year 2023, we made significant progress in our ability to track and measure our carbon performance. Working collaboratively across

departments as well as with our supply chain partners, we have filled data gaps, upgraded technologies, and automated processes in order to scale up. With these insights and more complete baseline data, we will continue to invest in expanding our sustainability program scope and reporting capacity to realize ambitious yet realistic CO₂ reductions in years to come.

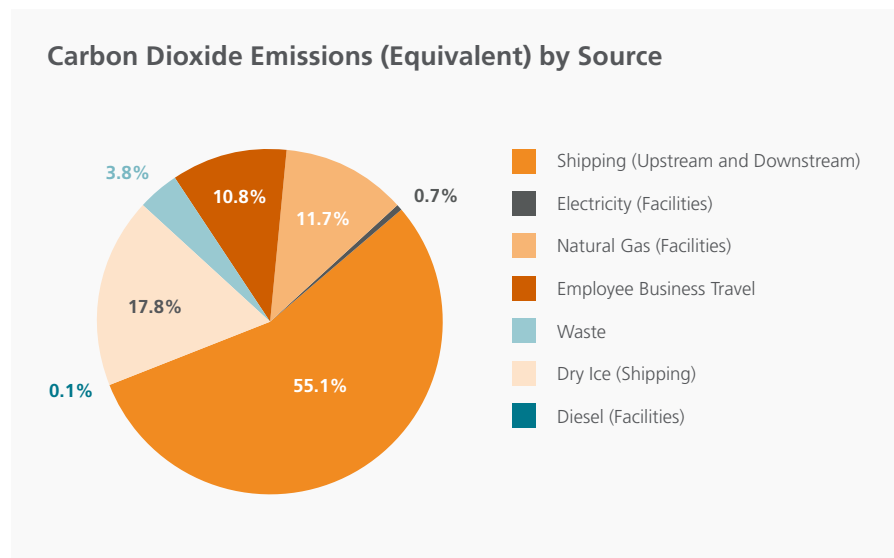


Figure 1. STEMCELL's overall carbon impact is made up of seven sources; the largest two, shipping and dry ice, arise from the cold chain shipping of our products. They are followed by CO₂e emitted from natural gas, employee business travel, waste generation, electricity use, and diesel, which powers our emergency backup generators.

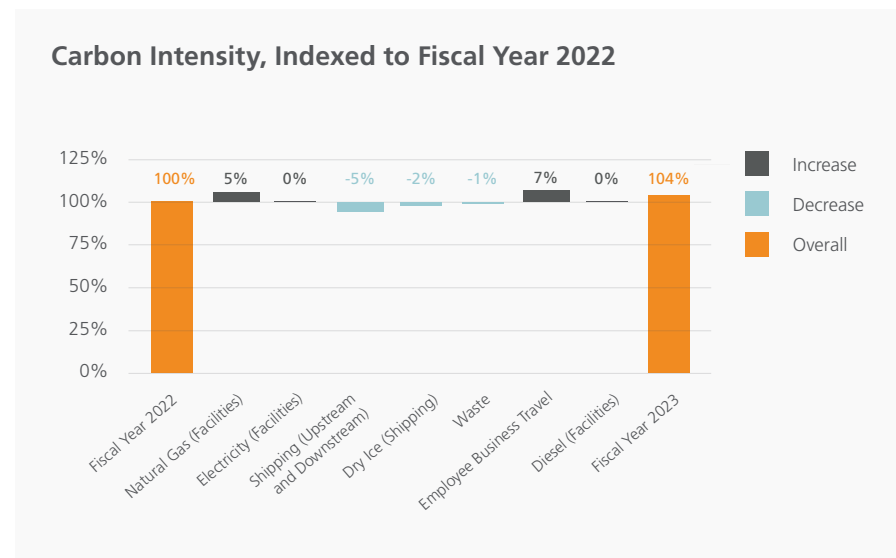


Figure 2. STEMCELL's overall carbon intensity increased 4% this year, due to the resumption of employee business travel post-pandemic and the opening of a new facility, which increased natural gas consumption. We saw decreases in carbon intensity from shipping, dry ice, and waste.

Waste

STEMCELL's office, laboratory, manufacturing, and distribution activities produce four types of waste: compostable organics, recycling (paper products, soft plastic, polystyrene²⁵, industrial plastics, mixed plastic containers, and glass), garbage, and hazardous waste (waste that requires special handling, typically incineration, to prevent damage to health or the environment). For Fiscal Year 2023, STEMCELL aimed to achieve a 5% reduction in waste intensity, as set by the EMS Executive Management Team.

Despite best efforts, our overall waste intensity increased by 2% over the same period last year. Although we fell short of our goal, we were able to achieve efficiencies in waste production, whereby organics and hazardous waste saw a 26% and 21% decrease in intensity, respectively, year over year. Furthermore, our proportion of recycled waste increased 17% over the same period last year, leading to a 14% improvement in our landfill diversion rate over the last twelve months.

Hazardous waste makes up 58% of STEMCELL's waste mix and is the most carbon intensive because some types of hazardous waste, such as medical waste, are incinerated to eliminate any risk of contamination. The portion of STEMCELL's hazardous waste classified as medical waste is incinerated by a waste-to-energy facility, which recovers heat generated to produce clean, renewable energy.



²⁵ Polystyrene has an extremely long life, takes up a large amount of space in landfills, and is also known to end up in waterways and oceans. STEMCELL's waste hauler recycles our polystyrene waste by heating it and compressing it down into dense blocks. The compressed blocks then become feedstock used to make new items.

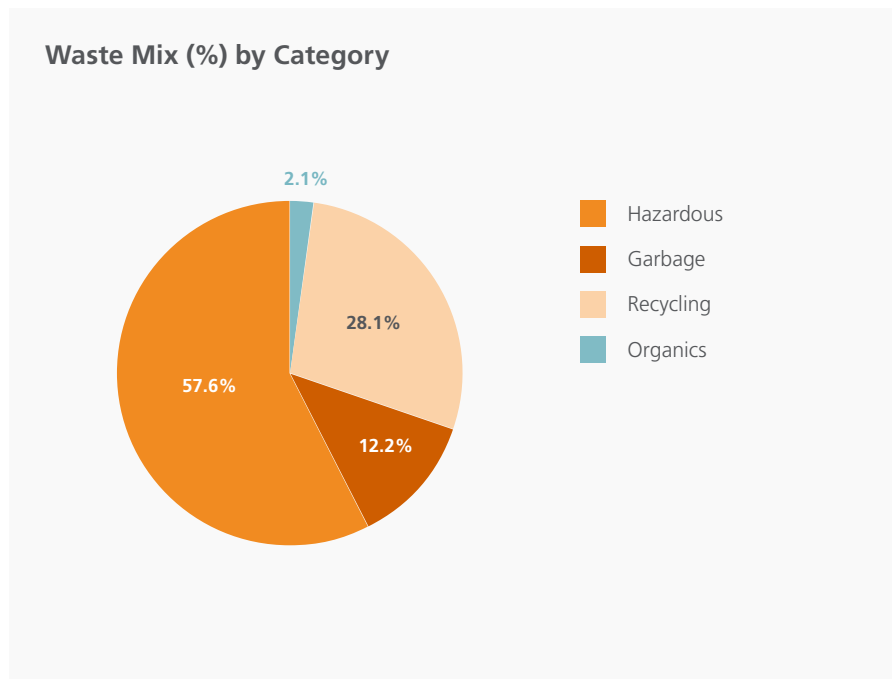


Figure 3. Hazardous waste is the largest proportion of STEMCELL's waste mix, followed by recycling, garbage, and organics.

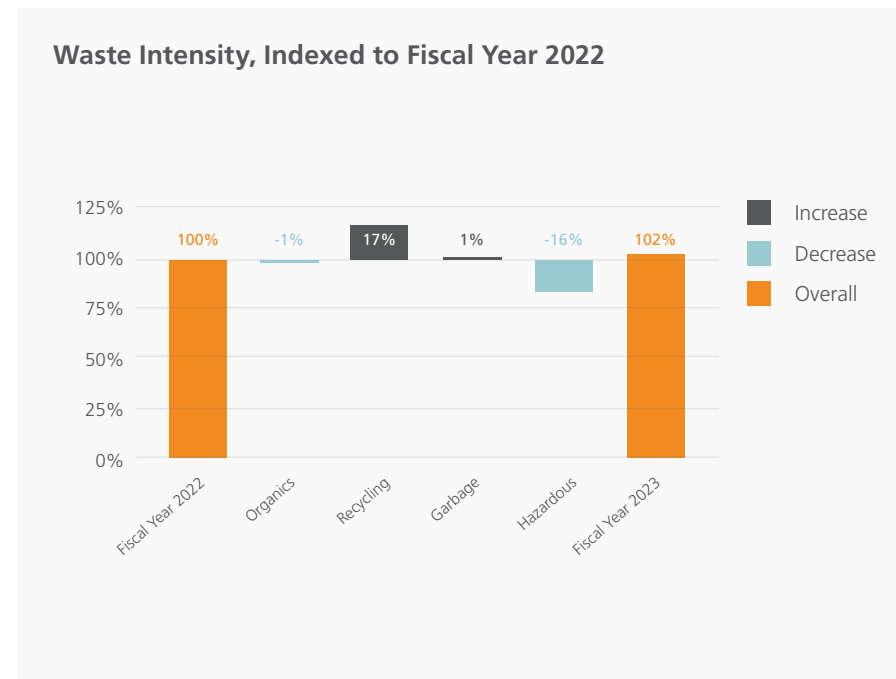


Figure 4. STEMCELL's waste intensity increased 2% over the same period last year due to an increase in recycling. We saw a 16% decrease in hazardous waste, which is the most carbon intensive.

Energy

All of STEMCELL's Canadian facilities use hydroelectric power, a renewable source of energy. These facilities also use natural gas, a fossil fuel responsible for 12% of our overall carbon intensity. This year, STEMCELL invested in a third-party audit of our global headquarters in Vancouver, BC, to identify opportunities to improve energy efficiency and decarbonize our operations. We are looking forward to incorporating the audit's recommendations into our EMS Objective Plan for Fiscal Year 2024. STEMCELL currently offers electric vehicle (EV) charging stations at facilities in Canada, France, South Korea, and the UK to help employees decarbonize their commutes, and we are in the process of expanding the number of charging stations available for employees.

To maintain continuity of service in the event of a power outage, STEMCELL facilities are equipped with backup diesel generators. Apart from maintenance and testing, these units are reserved for emergency use only and do not contribute significantly to STEMCELL's carbon intensity.





Photo: Sunset on Panorama Ridge, Garibaldi Provincial Park, BC, Canada, Yuri Choufour

Water

The United Nations Sustainable Development Goal six, entitled "Clean Water and Sanitation," is a strategic fit for STEMCELL since water use during the manufacturing process was identified by our EMS Working Group as a significant aspect of our operations. STEMCELL complies with spill reporting regulations under the Environmental Management Act, and our Environmental Health & Safety team conduct regular spill drill training to prevent contamination of water systems should a spill occur. STEMCELL has never had an environmental incident involving a release to water.

This year, two employee-led water-saving initiatives were implemented, and we are planning to incorporate water measurement and further conservation work into our Environmental Monitoring Plan in Fiscal Year 2024.



Product Lifecycle

At STEMCELL, all new products undergo an environmental assessment during their early development. This assessment considers the environmental implications of all factors associated with its life cycle, including formulation, manufacturing, shipping and storage temperature, and packaging. All material specifications for our products must comply with the Restriction of Hazardous Substances (RoHS) and Registration, Evaluation, Authorisation, and Restriction of Chemicals (REACH) Directives. Specified materials are sourced in line with our policy²⁶ whereby we assess suppliers' sustainability practices as part of the supplier onboarding process.

The end of life of our products, particularly the primary and secondary packaging in which they are delivered, is an important area of continuous improvement for our EMS program. All of our boxes are recyclable, and the majority of the plastic bottles that contain our media products are recyclable. The polystyrene containers that are critical for maintaining product temperature during transport are being evaluated so we can source alternatives that are more environmentally friendly. Irrespective of the type of packaging—whether paper, plastic, or polystyrene—STEMCELL advises its customers to follow the disposal guidelines in their respective institutions and recycle whenever possible.

All STEMCELL-manufactured instruments comply with STEMCELL's Equipment Waste Responsibilities Policy, which aligns with the European Waste Electrical and Electronic Equipment (WEEE) Directive. This STEMCELL policy outlines our responsibilities at the end of life of our instruments, including support for instrument recycling or receiving used instruments for proper disposal, refurbishment, or research.

²⁶ See Responsible Sourcing (page 17).

Employee Participation

STEMCELL's Environmental Policy states our commitment to protect the environment, comply with all environmental laws, and continuously improve our EMS. Training on our EMS is updated and delivered annually. This year, 99.7% of Canadian-based employees completed their EMS training on time, a testament to our employees' engagement in our sustainability efforts. Employees are also required to report environmental nonconformities and incidents and are encouraged to submit ideas for continuous improvement initiatives at any time. In Fiscal Year 2023, we received 39 continuous improvement suggestions, including waste reduction, water-saving, and energy-saving ideas.²⁷

STEMCELL employees are highly engaged in our sustainability initiatives. This was recently exemplified in our 2023 Annual Employee Engagement Survey results, in which 78% of our employees agreed or strongly agreed that "STEMCELL is committed to protecting the environment." This is 3% above the global benchmark of 75%.²⁸

Our staff agree or strongly agree that

“STEMCELL is committed to protecting the environment.”

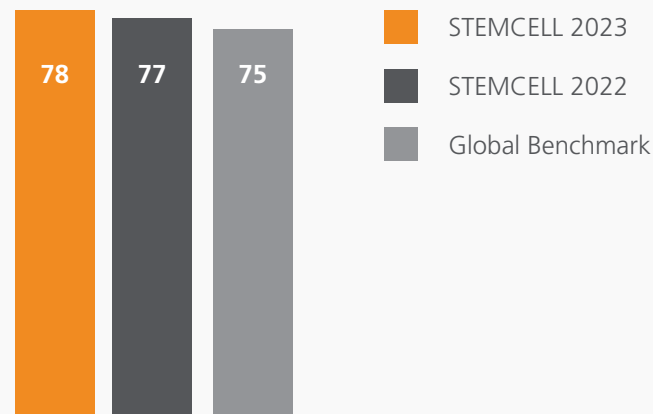


Figure 5. In Fiscal Year 2023, 78% of our staff agree or strongly agree that STEMCELL is committed to protecting the environment.

²⁷ This record also includes Corrective Actions and Opportunities for Improvement identified in our internal and external ISO 14001 audits, as well as new projects and initiatives in progress with an environmental impact.

²⁸ Benchmarking is defined by our engagement survey provider as data consolidated from 586 survey projects with over 150 million respondents across 150 countries in 100+ languages.



For our Earth Day 2023 campaign, STEMCELL employees around the world submitted photos that show how they celebrate and conserve the natural world.

Environmental Impact Investment

In addition to our commitment to reducing the environmental impact within our own operations, we also contribute financially to organizations working to conserve land, protect biodiversity, capture carbon, and provide climate resources. For the past three years, STEMCELL's global Earth Day Campaign has raised funds and awareness for Fauna & Flora, the world's oldest conservation organization. This year's campaign featured three educational talks by Fauna & Flora biologists to our employees globally. Our campaign also included

an employee photo submission contest focused on literacy, action, and appreciation, with STEMCELL matching every photo submission with a donation to Fauna & Flora. This year's campaign was a great success, exceeding our photo submission goal by 21% thus achieving our fundraising target. STEMCELL also sponsors Let's Talk Science's Climate Science Initiative, which offers activities, events, projects, and resources to enhance the climate understanding of school-age children.

Environmental Sustainability - Challenges and Ambitions

At STEMCELL, we continuously seek to improve how we operate by challenging ourselves to find creative solutions to difficult problems. This is certainly evident as it relates to sustainability, where we are re-evaluating our business processes to reduce our carbon emissions and waste, while seeking to improve energy and water consumption.

In the coming months, we will be working toward our goal to be carbon neutral by 2025 for our Canadian operations by optimizing renewable energy use and investing in high-quality carbon offsets. In the near future, we will be expanding our CO₂ Scope 1 and 2 accounting capacity to include all our global operations outside of Canada, including the United States, Europe, and Asia-Pacific. Concurrently, we will work to develop a

more complete understanding of our upstream and downstream Scope 3 emissions. By establishing a more comprehensive view of our global CO₂ output, we will be able to align our goals and reporting with science-based targets and effectively direct and monitor our global CO₂ reduction efforts.

This coming year, we will continue to reduce and divert our waste through lab recycling and other programs and investigate further opportunities for waste reduction and circularity. As part of our EMS program in Canada, we will aim to maintain zero environmental incidents and nonconformances in our Canadian facilities. Importantly, as STEMCELL continues to grow and expand its infrastructure globally, we will work on defining and incorporating our sustainability building standards and operational processes into our facilities' design.

²⁹ <https://www.fauna-flora.org/>

³⁰ <https://letstalkscience.ca/climatescience>

ENVIRONMENTAL ORGANIZATIONS AND PROGRAMS SUPPORTED



Fauna & Flora

An international nature conservation charity and nongovernmental organization dedicated to protecting the planet's threatened wildlife and habitats.²⁹



Let's Talk Science: Climate Science Initiative

A program striving to enhance Canadian school-age children's understanding of all things related to climate science with related activities, events, projects, and resources.³⁰

Environmental Sustainability in Action

Used Lab Equipment Donated to Local University and Community Organizations

In Fiscal Year 2023, STEMCELL's Research & Development Department launched an initiative to repurpose its decommissioned equipment and expired consumables. Several used flow cytometers from STEMCELL were diverted from the landfill and donated to Capilano University (British Columbia, Canada). These instruments will enable students to have hands-on experience using the equipment to distinguish and isolate various cell types. STEMCELL also donated a total of three pallets of various laboratory plasticware products to Simon Fraser University (British Columbia, Canada), the Canadian Association for Girls in Science, and Science World for use in their science education programs. The repurposing and donation of this equipment and lab consumables supported the Fiscal Year 2023 objective to reduce waste. The donation also supports our community impact pillar, Foster STEM Education³¹, and is ultimately a reflection of our culture of Scientists Helping Scientists.



STEMCELL lab managers meet representatives from Capilano University (British Columbia, Canada) to donate lab equipment and consumables.

³¹ See Community Impact (page 45).



COLLEAGUES AND CULTURE

Overview

STEMCELL employs more than 2300 people globally, and the well-being of our colleagues is critical to our shared success. To ensure we provide a safe and inclusive workplace where employees feel a sense of belonging and purpose, we work to nurture our culture of Scientists Helping Scientists by cultivating value, connection, open dialogue, learning, accountability, and safety throughout our organization. To understand and continuously

improve our employees' experience, we conduct our Annual Employee Engagement Survey, which was completed by 97% of staff in 2023. To build and sustain a diverse and inclusive workforce, we have expanded our Diversity, Equity, and Inclusion (DEI) program to include six Employee Resource Groups (ERGs), pronouns for self-identification, and more inclusive hiring practices and benefits. And to maintain a safe environment, we continue to develop and apply effective health and safety standards, systems, and practices to eliminate or minimize the hazards associated with our business activities.

In addition to joining the UN Global Compact and pledging our support for its Ten Principles and the United Nations Sustainable Development

Goals, STEMCELL has made the following public commitments to uphold employee DEI:

- STEMCELL is a signatory of the Government of Canada's 50-30 Challenge³², which encourages organizations to advance gender parity (50% women and nonbinary people) and increase diversity (30% other equity-deserving groups) on boards and/or in senior leadership roles.
- STEMCELL's CEO is one of 232 signatories to the MassBio Open Letter 2.0, which calls on the life sciences community to commit themselves to a range of best practices to improve DEI and culture in their organizations.³³ The Open Letter recognizes that "racial inequity exists in our industry and in our companies, and we must take responsibility to fix that injustice through comprehensive equity, diversity, and inclusion initiatives that are broad in scope, specific in action, and measurable in results."

³² <https://ised-isde.canada.ca/site/ised/en/50-30-challenge-your-diversity-advantage>

³³ www.massbio.org/initiatives/equity-diversity-and-inclusion/open-letter/

Culture

STEMCELL's culture of Scientists Helping Scientists permeates all levels of our organization and unites our company globally. In the words of our founder and CEO, Dr. Allen Eaves, "We are Scientists Helping Scientists. And that's what we're all about... I'm not interested in making money, I'm interested in making really good products to help researchers studying cancer and other diseases do their jobs better. That's what motivates us."

Our company culture is nurtured by six key drivers:

1. **Value:** Having a culture where our employees feel valued is a key driver to engagement. In our recent 2023 Annual Employee Engagement Survey, we saw an 82% favorable response to the statement, "STEMCELL values my contribution." This was 12 percentage points above the global benchmark.³⁴
2. **Communication:** Our goal is to ensure that employees are aligned with our strategy and goals, and that they feel engaged in their work. Employees receive regular

communications through their managers, team meetings, departmental town halls, company meetings, senior leadership, and the CEO. In 2023, we scored 79% on our Annual Employee Engagement Survey in the area of communication, well above the global benchmark of 67%.³⁵

3. **Open Dialogue:** STEMCELL has a collegial environment that openly encourages debate and discussion, which is critical to getting to the right decision. This practice arises from our strong roots in academia, where reproducibility and rigor in experimental design, alongside open discussion and debate, are essential for scientific discovery. This open dialogue is encouraged in meetings at all levels.
4. **Learning Organization:** We have a culture of curiosity, learning, and personal growth woven throughout STEMCELL. We encourage every employee, regardless of role, to leverage our expansive internal training catalog, which contains more than 1787 courses. Our employees take initiative, learn from and figure out complex challenges, and take action.

5. **Accountability:** As a high-growth company, STEMCELL has a fast-paced environment that requires adaptability, accountability, and execution at all levels. This drives a unique culture where we are accountable to our colleagues and there is a high degree of trust. In 2023, we scored 87% on our Annual Employee Engagement Survey in the area of overall trust, 12% above the global benchmark.³⁶
6. **Safety:** STEMCELL is committed to developing and applying effective health and safety standards, systems, and practices in order to eliminate or minimize the hazards associated with our business activities. Furthermore, we are dedicated to maintaining a safe environment that promotes employees' physical, social, and mental well-being. In 2023, 92% of Annual Employee Engagement Survey respondents agreed STEMCELL is committed to employee safety.

³⁴ Benchmarking is defined by our engagement survey provider as data consolidated from 586 survey projects with over 150 million respondents across 150 countries in 100+ languages

³⁵ See note 34 on benchmarking.

³⁶ See note 34 on benchmarking.



STEMCELL employees at the 2023 Terry Fox Run in Vancouver, BC

FISCAL YEAR 2023: COLLEAGUES AND CULTURE AT A GLANCE

97%

Employee Engagement
Survey Response Rate

92%

Employees who are
"proud to work for STEMCELL"

88%

Favorable response
to DEI Index

53.5%

Employees³⁷ who self-identify
as Black, Indigenous, or
People of Colour (BIPOC)

57%

Employees who identify
as women

6

Employee Resource
Groups (ERGs) launched



**Canada's Best
Managed Companies**

STEMCELL has been a recipient of Canada's Best Managed Companies Award³⁸ since 2019. This award is one of Canada's top recognitions in business and is given to celebrate excellence across all aspects of management, from financial performance through strategy, capability, and commitment.

³⁷ Based in North America

³⁸ www2.deloitte.com/ca/en/pages/canadas-best-managed-companies/articles/gold-standard-winners.html

Employee Engagement

In our 2023 Annual Employee Engagement Survey, we achieved an overall Employee Engagement Score of 82%, which was 9% greater than the global norm.³⁹ Other key findings from this survey:

- STEMCELL outperformed the global norms for indices in engagement, manager effectiveness, and equip factors (operational areas that enable teams to do high-quality work) by a minimum of 9 percentage points each
- Key strengths include our employees' agreement that senior leadership has communicated a vision that motivates them, and that they are confident that STEMCELL is going in the right direction (18% and 17% above global norms⁴⁰, respectively)
- At the same time, employees believe that managers show a genuine interest in their well-being and treat their direct reports with dignity and respect (17% and 10% above global norms⁴¹, respectively)
- Focused efforts on compensation throughout 2022 resulted in an increase of 4 percentage points in this factor
- Focused efforts on belonging resulted in an increase of 2%, from 86% to 88% favorable response, in our overall DEI index

³⁹ See note 34 on benchmarking.

⁴⁰ See note 34 on benchmarking.

⁴¹ See note 34 on benchmarking.



Diversity, Equity, and Inclusion

STEMCELL is committed to building and sustaining a diverse and inclusive workforce. Since our inception, our diversity of thought and experience has been foundational to our scientific and commercial success. We are proud to acknowledge that gender parity has been the norm for us for many years, with 57% of all employees and 45% of our Executive Management Team identifying as women. DEI is fundamental to our growth strategy going forward, as it enables us to welcome a variety of perspectives and ultimately fosters innovation. To this end, STEMCELL has a formal Diversity Statement (see side panel).

Our three-year DEI strategy was created by our DEI Steering Committee. This group is made up of senior executives and its mandate is to ensure that everyone at STEMCELL supports and attends to the ongoing development and maturation of STEMCELL's DEI practices. The committee establishes the DEI goals and objectives for all of STEMCELL and monitors progress.

Results from our Annual Employee Engagement Survey show that 89% of our employees are comfortable to be their authentic selves at work and 86% believe that senior leadership at STEMCELL is genuinely committed to attracting, developing, and keeping a diverse workforce.

In the same employee survey, overall we saw an 88% favorable response to the DEI Index (the collection of DEI questions). This was 10% above the global benchmark⁴² and an increase of 2 percentage points from the 2022 survey.

EMPLOYEE RESOURCE GROUPS

STEMCELL has six ERGs for members of equity-deserving groups and their allies. The ERGs focus on women, Indigenous people, BIPOC (Black, Indigenous, People of Color), mental health, diverse abilities, and 2SLGBTQ+ (Two-Spirit, Lesbian, Gay, Bisexual, Transgender, Queer or Questioning, and other sexual orientations/identities) in STEM. Our ERGs provide employees with safe spaces to share and talk about their lived experience; these multi-way conversations can lead to proposals on how to strengthen DEI within the company. The ERGs also receive funding to launch their own projects promoting ideas within the business. All six ERGs have been active over the past year amplifying the voices of the social groups they represent, hosting awareness-building events for employees, and publishing educational articles on STEMCELL's intranet site.

⁴² See note 34 on benchmarking.

⁴³ www.biotalent.ca/i-d-e-a-l-biosciences-employer-recognition-program/

STEMCELL'S DIVERSITY STATEMENT

STEMCELL is committed to building and sustaining a diverse and inclusive workforce. On a semi-annual basis, the Executive Management Team reviews gender diversity across all business units. Staffing goals are implemented with an eye to maintaining our existing leadership diversity and sustaining a pipeline of diverse leaders and scientists. In this context, diversity is defined to be inclusive of individuals regardless of gender, race, national or ethnic origin, color, religion, age, sexual orientation, marital or family status, or physical or mental disability.



I.D.E.A.L. Bioscience Employer

In 2023, BioTalent Canada announced STEMCELL as a recipient of its inaugural I.D.E.A.L. Bioscience Employer⁴³ designation. This program recognizes organizations in the Canadian bio-economy that embody the principles of inclusion, diversity, equity, and accessibility leadership (I.D.E.A.L.) needed to promote growth and success in the biotech sector.

PRONOUNS FOR SELF-IDENTIFICATION

Earlier in Fiscal Year 2023, STEMCELL introduced five new sets of pronouns as options for self-identification in our Human Resources Information System: she/they, he/they, they/she, they/he, and zie/zir. This is important for including those who do not feel represented by traditionally used pronouns. Expanding the options has empowered more of our employees to share the pronouns that represent them best and is a means of supporting authenticity and belonging at STEMCELL.

DEI LEARNING AND LEADERSHIP COURSE

To accelerate meeting our DEI commitments and developing our inclusive workplace culture, we support and advance individual and collective learning and self-reflection by offering DEI courses. Most DEI courses are accessible to all employees of all job levels. These include eLearning modules that explore allyship for 2SLGBTQ+ colleagues or focus on how to deconstruct the notion that gender is binary. Our instructor-led offerings revolve around how the actions of all employees contribute to making an inclusive workplace and enable senior leaders to put the concepts into practice to lead inclusive teams and organizations. All new hires are welcomed with a DEI module that highlights the importance of belonging in the workplace.

⁴⁴ <https://wearebctech.com/talent/bc-tech-intern-program/>

⁴⁵ More information about Indspire and Digital Lift can be found in our Community Impact section of this report, under Progress Indigenous Reconciliation (page 52).

⁴⁶ This benefit is currently available to STEMCELL employees located in Canada.

INCLUSIVE HIRING PRACTICES

As an equal opportunity employer, STEMCELL is committed to continuous improvement of our hiring practices. This includes engaging in regular hiring audits to identify opportunities for improvement in internal and external processes, such as recommendations on how we can further reduce bias in our screening practices to develop and maintain a diverse workplace. By implementing inclusion metrics, we are kept accountable by monitoring our progress with respect to our DEI goals.

We have also partnered with several organizations to provide education and training opportunities to underrepresented groups via scholarships and internships. One such partnership is with the BC Tech Association's Digital Lift⁴⁴ program, through which we offer paid internships to individuals who self-identify as women, Indigenous, BIPOC, living with a visible or invisible disability, 2SLGBTQ+, neurodiverse, nonbinary, and/or youth from care. This year, STEMCELL also attended Indspire's Soaring Indigenous Youth Empowering Gathering in Edmonton, Canada, a career fair aimed at providing First Nations, Inuit, and Metis students with information and pathways to post-secondary education.⁴⁵ These initiatives help to increase representation in young trainees and early career workers, which ultimately supports building a diverse workforce.

Global Benefits Plan

STEMCELL continues to invest in improving our Global Benefits Plan with increasingly inclusive benefits. Our investments highlight our continued commitments to DEI and underscore our goal to create a more inclusive workplace and culture. Fiscal Year 2023 additions include:

- **Supporting Gender Diversity:** To demonstrate our commitment to our employees on their journey to transition or affirm their gender, STEMCELL's extended health benefits plan now provides gender affirmation coverage to employees in Canada. This coverage will support the cost of surgical procedures and other treatments that may not be covered under local programs.
- **Inclusive Family Planning:** STEMCELL recognizes that families come in all shapes and sizes and that the path to building a family may not be straightforward. With this in mind, our extended health benefits plan now provides reimbursement for the costs of eligible fertility drugs and services.⁴⁶
- **Reproductive and Family Health Support and Care:** In February 2023, we introduced a new no-cost benefit that provides any employee in Canada or the United States with virtual access to reproductive and family health support and care. This virtual provider network includes access to specialized care in the areas of fertility, maternity, mental health, career coaching, pediatrics, menopause, and more.

Leadership Development

We know how important it is to have good management and leadership throughout our organization. Good leaders build a sense of well-being among their employees by helping them understand their value and contribution to the organization and feel psychologically safe to do their best work.⁴⁷

Our leadership capabilities begin with the concept of self-leadership. We offer a wide range of programs to support the growth of every employee. For our high-performing employees, we offer a 9-month modular course that supports the career growth of emerging leaders through core business skill development; to date, we have had 250 graduates of this program.

At STEMCELL, each people manager is provided with carefully designed learning journeys that include live and on-demand programs to hone their skills. For our senior leaders, we offer an experiential, cohort-based, three-year leadership development program that builds deep connections amongst our leaders across functions and supports their growth as they apply their new skills to everyday business challenges. In this and other programs, we have integrated group coaching to enable sustained behavioral change.

Environmental Health & Safety

STEMCELL is committed to maintaining a safe working environment for all employees, whether they are based on-site or remotely. To fulfill this commitment, we develop and apply effective health and safety standards, systems, and practices to eliminate or minimize the hazards associated with our business activities. To this end, the Environmental Health & Safety (EHS) team has nearly doubled its number of employees across our global regions and will continue to expand to keep pace with company growth.

While regulatory requirements set the baseline for our EHS strategy, we always follow global best practices to keep our employees, our communities, the environment, and facilities safe. STEMCELL's EHS Policy outlines this commitment to embed safety in all levels of our business and empowers staff, managers, and leadership to prioritize the safety of workers, facilities, and the environment in their daily activities.

This year, our EHS team launched a monthly newsletter that all managers are required to review with their team. The newsletter serves as a tool to advise our employees of relevant information related to health and safety, which can include: hazard and incident trends that are being seen in the business,

new policies and training being rolled out, monthly safety metrics, and pertinent information from our global Joint Health and Safety (JHSC) committees. In addition, the EHS team developed a standard way of implementing global training programs for employees. Relevant and required safety training is assigned to all employees through an online internal training and learning system, with progress tracked and followed up on by managers. Two notable policies the EHS team implemented this year were the Lockout/Tag-out Policy, which provides employees with clear instructions on how to protect themselves from hazardous energy sources during instrument service and maintenance, and our Ergonomics Policy, which describes best practices and resources to prevent and address ergonomic injuries. These processes are now seamless, user-friendly, and applicable to all STEMCELL sites.

Throughout our global operations, there are JHSCs composed of representatives from all departments at STEMCELL. These committees help drive continuous improvement across the organization.

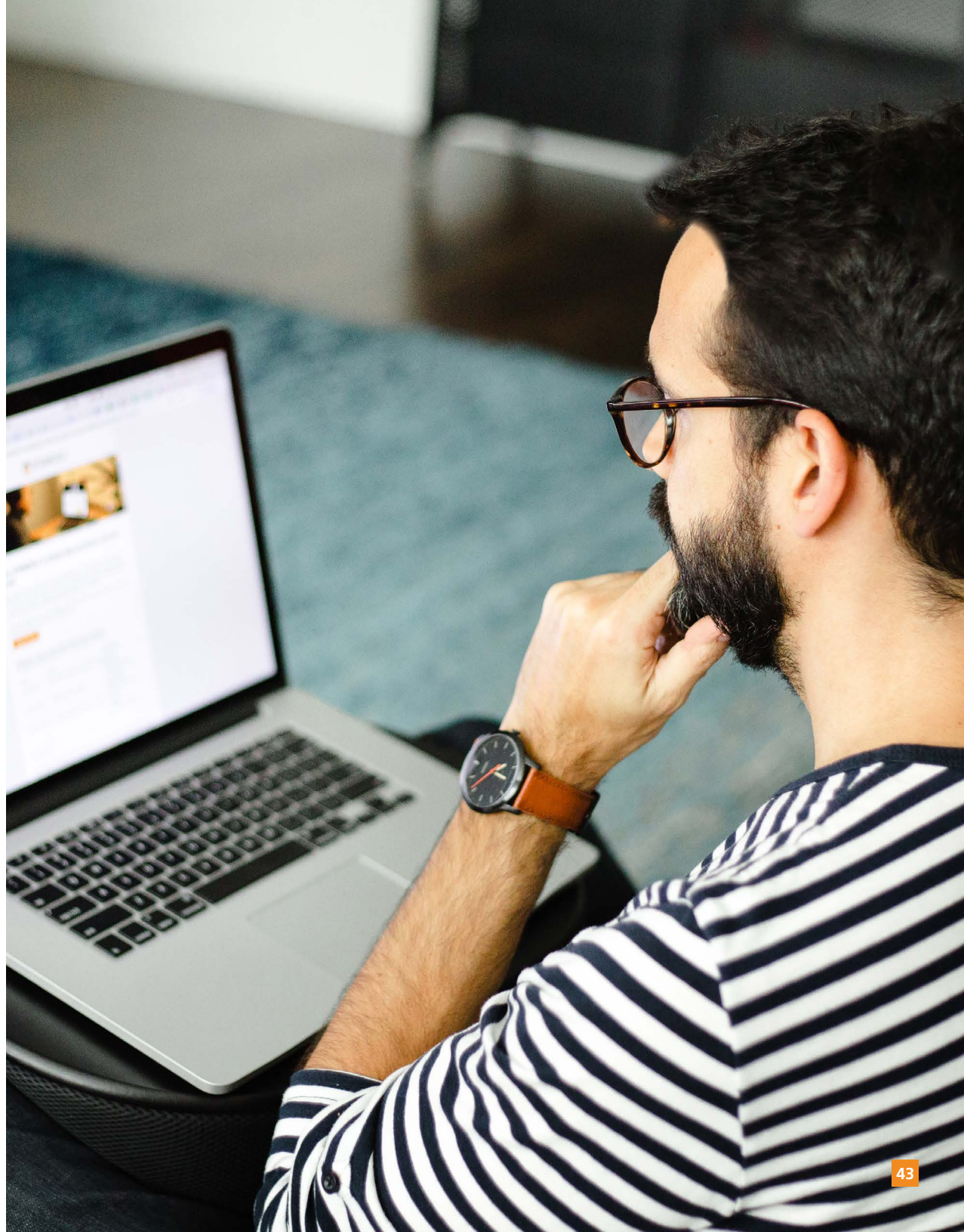
The EHS team works closely with the Environmental Management System (EMS) team to ensure we are meeting our compliance obligations, objectives, and commitments as set out in our EMS Manual. We are pleased to report that there were no environmental incidents in Fiscal Year 2023.

⁴⁷ <https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/the-boss-factor-making-the-world-a-better-place-through-workplace-relationships>

Colleagues and Culture - Challenges and Ambitions

In response to the COVID-19 pandemic, STEMCELL implemented a work-from-home strategy for employees who were not required to work onsite. As pandemic restrictions eased and returning to the office became feasible, employees communicated their desire to continue to work from home. This shift to long term hybrid or remote work presented challenges on an operational level to support both the employees working from home and onsite for portions of their work weeks. Adaptation of STEMCELL's Ergonomic Program to include working from home has been required and will continue. An ongoing area of focus for improvement is around facility usage for hybrid workers and improved support of onsite visitors and employees.

We will keep STEMCELL's unique culture thriving in the years ahead through open and honest communication, living and working by our core values, and leading by example. We will continue to listen to our employees through multiple channels and act on their feedback. In the coming years, we will continue to build our diverse workforce and reinforce a culture of inclusion where every one of our employees is able to be themselves, learn and grow, feel valued and a sense of belonging, and do their best work.





Colleagues and Culture in Action

Employee Resource Groups: Increasing Belonging and Inclusion

Over the past year, our Employee Resource Groups (ERGs) have hosted a series of internal events, such as internal panel discussions and seminars. These educational, empathy-building events included a workshop on Truth and Reconciliation and allyship, co-hosted by the Indigenous Peoples in STEM ERG and BIPOC in STEM ERG; a panel discussion on disability and neurodivergence, hosted by the DiversABILITY ERG; and a panel discussion on embracing equity, hosted by the Women in STEM ERG. In addition to hosting a presentation on the use of gender pronouns, which was facilitated by

an external expert, STEMCELL colleagues were also provided with a resource on being an ally to the 2SLGBTQ+ community. These learning opportunities were very positively received by our colleagues, and we look forward to continuing to foster a sense of belonging and inclusion with similar offerings in the years to come.

Feedback from Our Employees:

“I just wanted to thank you and let you know that you did such an amazing job at making me feel free to ‘be myself’ in the workplace. Since I’m so White-presenting, I was able to hide myself very easily. My recent joining of the Indigenous ERG was the first time I ever felt comfortable letting my workplace know my racial identity. I really, really want you to know how much I appreciate that.”

“THANK YOU! The DiversABILITY meeting was a very good and safe environment to learn from you all. As a person with an invisible disability, I appreciate all you shared.”

“Overall, I thought [the Women in STEM panel] was fantastic. I really enjoyed that we made this available to all of our employees and hope we can do more in the future. It was so encouraging to see other people who look like me talking about their journey and paths to success at STEMCELL.”

“I recently read your article [on our company intranet] on Pride Month and being an ally. I wanted to reach out to thank you for sharing this—it really helps me feel more psychologically safe.”



COMMUNITY IMPACT

Overview

As members of the global life sciences community, we are passionate about advancing science and supporting the scientists of the future. As global citizens and members of our local communities, we support universal access to life's essentials, like good health, safety, and social equity. As a company headquartered in Canada, we take our part in advancing Indigenous reconciliation very seriously.

Our community outreach strategy is designed with the above priorities in mind and is categorized into four community impact pillars: Advance Science, Foster STEM Education, Empower Healthy Communities, and Progress Indigenous Reconciliation. Our goal is to have a high social impact, which we define as “improving the well-being of others over the long term,⁴⁸” and we make financial and in-kind donations to organizations with mandates supporting this aim.

⁴⁸ <https://www.effectivealtruism.org/>



Photo: Octopus Island Provincial Marine
Park, BC, Canada, Ron Watts

FISCAL YEAR 2023: COMMUNITY IMPACT AT A GLANCE

> 4000

Participants in our Foster
STEM Education initiatives

100%

Achievement of all company
charitable campaign
fundraising goals

85%

Employees who agree with
actions STEMCELL is taking to
be socially responsible

57

Co-op students employed

> 50

Community and academic
organizations supported

> 30

Community Impact
events with STEMCELL
volunteer participation

13

Employee fundraising initiatives
matched at the corporate level

3

Major global
fundraising campaigns

Advance Science

STEMCELL supports scientific research with annual financial and in-kind support through research grants, donations, and sponsorships. We are members of numerous academic and industry associations and societies globally, and our employees regularly participate in events, symposia, and fairs as well as other mentoring and professional collaboration opportunities within the scientific community.

PARTNER ORGANIZATIONS

This past year, STEMCELL supported many organizations advancing science. Some select examples include:

- **BC Cancer Foundation:** The BC Cancer Foundation is the fundraising partner of BC Cancer, an organization supporting cancer research and care in British Columbia, Canada.⁴⁹ STEMCELL and its employees have supported the BC Cancer Foundation annually for over two decades via corporate donations, employee fundraisers, and participation in events such as Workout to Conquer Cancer.

- **Terry Fox Laboratory:** STEMCELL is a longtime supporter of the Terry Fox Laboratory, which strives to understand the biology underlying normal development and how its disruption leads to cancer initiation and progression.⁵⁰
- **Terry Fox Foundation:** STEMCELL employees participate in the Terry Fox Run, an annual charity event organized by the Terry Fox Foundation, which brings Canadians together to realize Terry Fox's dream of a world without cancer.⁵¹
- **Life Sciences British Columbia:** Life Sciences British Columbia (LSBC) is a not-for-profit, non-government, industry association that supports and represents the life sciences community of British Columbia through leadership, facilitation of investment and partnering, advocacy, and promotion of the BC science industry.⁵² STEMCELL is an annual sponsor of LSBC and every year, our employees volunteer at their Career Connect Day to showcase the breadth of job opportunities that STEMCELL offers for young science graduates, and to also share their personal career journeys in science.

⁴⁹ <https://bccancerfoundation.com/>

⁵⁰ <https://www.bccrc.ca/dept/tfl/about-us>

⁵¹ <https://terryfox.org/>

⁵² <https://lifesciencesbc.ca/>



Members of STEMCELL's Customer Support and Supply Chain teams participated in the 2023 Workout to Conquer Cancer, raising money for the BC Cancer Foundation.



STEMCELL employees at the 2023 Terry Fox Run in Vancouver, BC

STEMCELL'S SCIENCE COMMUNICATION SERVICES

STEMCELL plays an important role in curating, sharing, and celebrating scientific advancements and topical science news. We have a large following who rely on our resources to keep them current and connected with the scientific community.

- **Science in the City:** A complete online resource for local life sciences news, currently available in three regions: Vancouver, Seattle, and Boston. Science in the City newsletters are published weekly.⁵³
- **STEMCELL Science News:** Twenty-one weekly newsletters and X (formerly known as Twitter) accounts covering the latest cell biology news and research, from organoids to immunology.⁵⁴
- **The Stem Cell Podcast:** An accessible, entertaining, and educational interview podcast for scientists following the latest developments in stem cell research. New episodes are released biweekly.⁵⁵
- **The Immunology Podcast:** A biweekly podcast covering the latest scientific advances, featuring interviews with key immunology influencers on their work and perspectives on the immunology field.⁵⁶

⁵³ <https://scienceinthecity.com/>

⁵⁴ <https://www.stemcellsciencenews.com>

⁵⁵ <https://stemcellpodcast.com/>

⁵⁶ <https://www.immunologypodcast.com/>

⁵⁷ <https://stemcellpodcast.com/ep-73-bench-to-big-business-featuring-dr-allen-eaves>



Dr. Allen Eaves spoke about his transition from "Bench to Big Business" on episode 73 of the Stem Cell Podcast.⁵⁷

Foster STEM Education

STEMCELL is passionate about empowering future scientists and partners with organizations that cultivate scientific curiosity and learning. We support numerous educational outreach organizations working to increase diversity in science, technology, engineering, and math (STEM) and work closely with universities to provide meaningful work experience for dozens of post-secondary science and engineering students annually through our well-established co-op program.

PARTNER ORGANIZATIONS

This past year, STEMCELL supported the following organizations providing STEM education:

- **Science World:** Since 2014, STEMCELL has partnered with Science World, a charitable non-profit science center based in Vancouver, BC, that engages learners in STEAM (science, technology, engineering, art and design, and math).⁵⁸ STEMCELL is a long-standing corporate donor of Science World's "Future Science Leaders Program", an after-school science enrichment program for teens.⁵⁹ STEMCELL is also an annual sponsor of Science World's

Girls & STEAM Event for girls and gender nonconforming youth who are interested in STEAM.

- **Let's Talk Science:** STEMCELL has been a longtime financial supporter of Let's Talk Science, whose mandate is to provide STEM enrichment programs for children and youth in Canada.⁶⁰ STEMCELL also offers in-kind support through employees participating in Let's Talk Science's programming.
- **Society of Canadian Women in Science and Technology:** STEMCELL is a sponsor of the Society of Canadian Women in Science and Technology, a not-for-profit organization that promotes, encourages, and empowers women and girls in science, engineering, and technology.⁶¹ This year, we participated in career fairs, workshops, and speaking opportunities on topics ranging from DEI in STEM, leadership, and working in the life sciences industry.
- **Canadian Association for Girls in Science:** STEMCELL is a corporate sponsor of the Canadian Association for Girls in Science, Canada's largest and longest-running STEM club for girls.⁶² This year, we sponsored "Stem Cells in Action", a virtual event for girls, nonbinary kids, and gender nonconforming kids, and encouraged our STEMCELL families to attend.

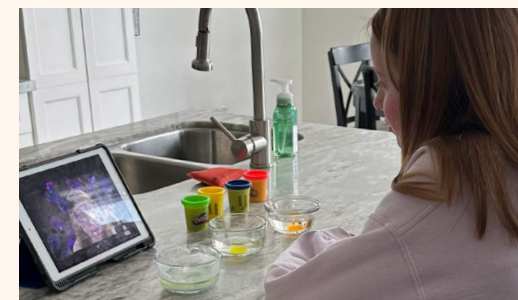
⁵⁸ <https://www.scienceworld.ca/>

⁵⁹ <https://www.scienceworld.ca/futurescienceleaders/>

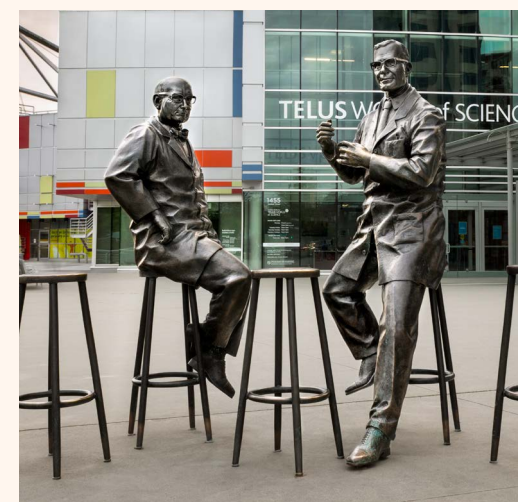
⁶⁰ <https://letstalkscience.ca/>

⁶¹ <https://scwist.ca/>

⁶² <https://girlsinscience.ca/>



The daughter of a STEMCELL employee learned about stem cells using gummy bears and play dough in the "Stem Cells in Action" virtual workshop offered by the Canadian Association of Girls in Science.



STEMCELL is proud to have commissioned bronze statues of Drs. Till and McCulloch, the fathers of stem cell biology, located at the entrance of Science World in Vancouver, Canada. A sister replica statue also sits in front of the MaRS building in downtown Toronto, Canada.

- **Greater Vancouver Regional Science Fair:** STEMCELL provides financial and in-kind support to this organization. Our employees with scientific backgrounds often participate as judges in the annual Greater Vancouver Regional Science Fair.⁶³
- **British Columbia Institute of Technology (BCIT):** STEMCELL provides an annual STEMCELL BCIT Graduating Achievement Award.⁶⁴ This past year, the award went to an outstanding student in the BCIT Biotechnology Honors program.

STEMCELL also supports many universities' organizations, fairs, and symposia, including those held by the University of British Columbia, Simon Fraser University, and the University of Toronto, among others.

STEMCELL INITIATIVES

Every year, STEMCELL hosts numerous programs and activities to foster education in science.

Of note were the following activities:

- **Take Your Kids to Work Day:** In November 2022, STEMCELL hosted Grade 9 students who spent the day in the workplace of their STEMCELL parent, learning about scientific research, our products, and the various career opportunities in science.
- **Co-op Program:** STEMCELL is committed to supporting the next generation of scientists, engineers, and business graduates with opportunities for hands-on work experience, mentorship, and training through our co-op program for undergraduate students. Over the past year, we have hired and trained 57 co-op students at STEMCELL.



In November, 2022, Grade 9 students spent the day in the workplace of their STEMCELL parent, learning about scientific research, our products, and the various career opportunities in science, as part of STEMCELL's annual Take Your Kids to Work Day.



Science World's Future Science Leaders pictured outside STEMCELL's headquarters in Vancouver, BC after completing their visit and tour in November, 2022.

⁶³ <https://gvrsf.ca/>

⁶⁴ <https://www.bcit.ca/financial-aid/awards-scholarships-bursaries/academic-awards/>

Empower Healthy Communities

At STEMCELL, we partner with global organizations whose goals are to improve access to good health, safety, and social equity.

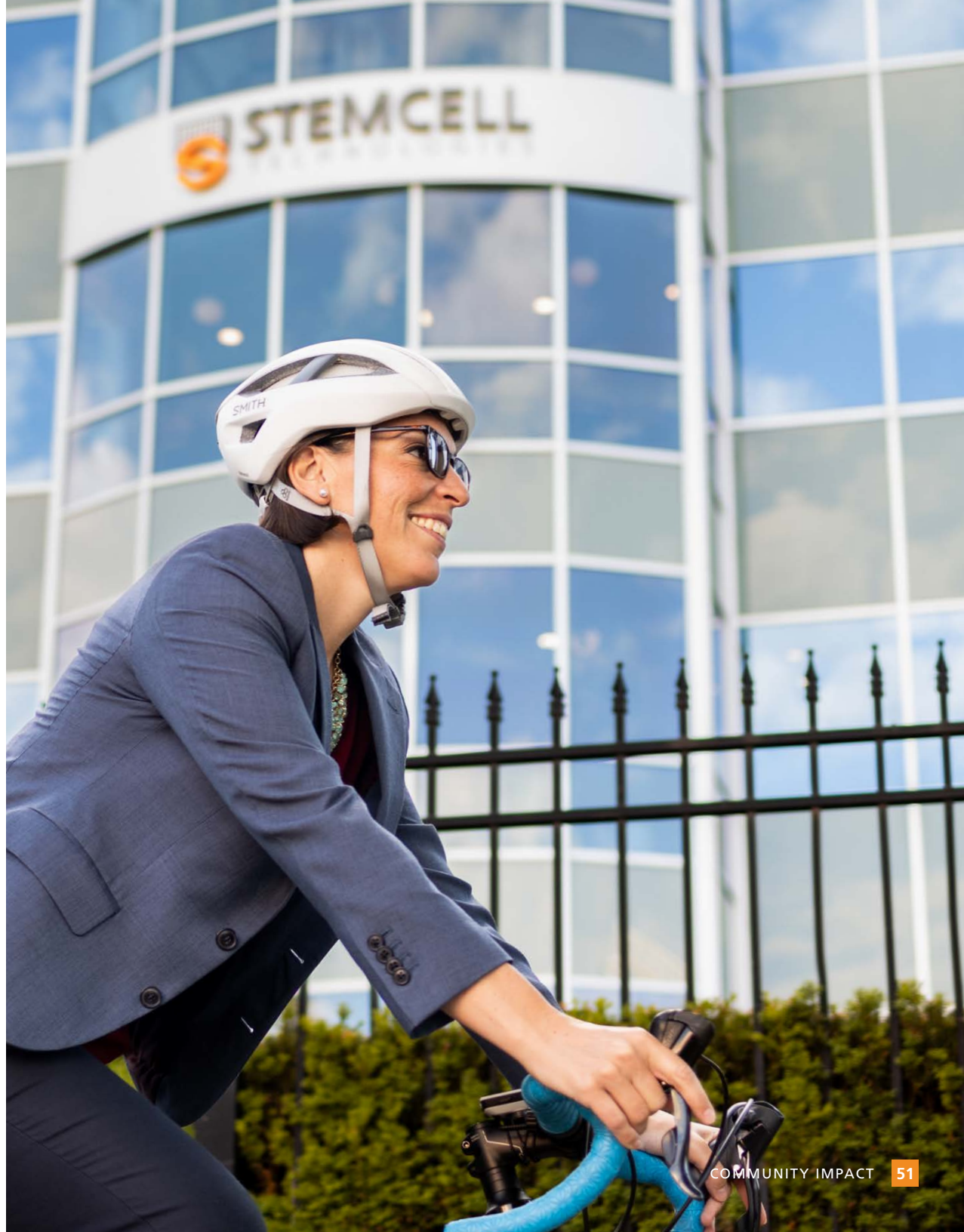
PARTNER ORGANIZATIONS

This year, STEMCELL supported the following organizations enabling good health and well-being:

- **Greater Vancouver Food Bank:** STEMCELL held its annual holiday charity campaign in December 2022 to support the Greater Vancouver Food Bank, an organization addressing food insecurity in Greater Vancouver.⁶⁵ This year, STEMCELL was the top corporate donor of the Greater Vancouver Food Bank's Virtual Food Drive.
- **Doctors Without Borders:** A corporate donation was made to Doctors Without Borders to support medical care in response to global emergencies.⁶⁶
- **Various Charities, Globally:** Donations were made to regional charities, including the Arthur Rank Hospice Charity, UK, the Greater Boston Food Bank, Cancer Research UK, les Restaurants du Coeur, and Förderverein für krebskranke Kinder e.V. Köln.

⁶⁵ <https://foodbank.bc.ca/>

⁶⁶ <https://www.doctorswithoutborders.ca/>



Progress Indigenous Reconciliation

STEMCELL recognizes it has a role to play in advancing Indigenous reconciliation in Canada, where the legacy of colonization and residential schools continues to impact people from Indigenous communities. In 2021, we launched an Indigenous Inclusion Program to support the success of Indigenous peoples and fulfill our responsibilities as described in the calls to action of the Truth and Reconciliation Commission of Canada (see side panel).

Our Indigenous Inclusion Program strategy is organized into four segments: Awareness, Outreach, Employment, and Investment. Each segment has an objective and yearly tactics to support these objectives (see below). The program includes representatives from the Indigenous Employee Resource Group (ERG) and Corporate Social Responsibility, Human Resources, and Procurement teams, who work to execute tactics in their workstream and act as liaisons between their groups and the Indigenous Inclusion Program team.

Segment	Objective	Fiscal Year 2023 Activities (more detail below)
Awareness	Facilitate reconciliation via education and relationship building	<ul style="list-style-type: none"> Annual Truth and Reconciliation Week Campaign National Indigenous History Month Indigenous Art Collection Digital Gallery on STEMCELL's company intranet
Outreach	Foster Indigenous science education	<ul style="list-style-type: none"> STEMCELL Technologies Indigenous Youth in Science Scholarship, in partnership with Indspire Verna J. Kirkness Sponsorship
Employment	Make STEMCELL a welcome place for Indigenous applicants and increase the representation of Indigenous colleagues	<ul style="list-style-type: none"> Indspire Soaring Careers Event BC Tech Association Digital Lift Early Careers Manager hired
Investment	Support Indigenous businesses within our supply chain	<ul style="list-style-type: none"> Supplier Diversity Program initiated

⁶⁷ https://www2.gov.bc.ca/assets/gov/british-columbians-our-governments/indigenous-people/aboriginal-peoples-documents/calls_to_action_english2.pdf

TRUTH AND RECONCILIATION COMMISSION OF CANADA: CALL TO ACTION 92: THE ROLE OF BUSINESS

"We call upon the corporate sector in Canada to adopt the United Nations Declaration on the Rights of Indigenous Peoples as a reconciliation framework and to apply its principles, norms, and standards to corporate policy and core operational activities involving Indigenous peoples and their lands and resources. This would include, but not be limited to, the following:

- i. Commit to meaningful consultation, building respectful relationships, and obtaining the free, prior, and informed consent of Indigenous peoples before proceeding with economic development projects.
- ii. Ensure that Aboriginal peoples have equitable access to jobs, training, and education opportunities in the corporate sector, and that Aboriginal communities gain long-term sustainable benefits from economic development projects.
- iii. Provide education for management and staff on the history of Aboriginal peoples, including the history and legacy of residential schools, the United Nations Declaration on the Rights of Indigenous Peoples, Treaties and Aboriginal rights, Indigenous law, and Aboriginal–Crown relations. This will require skills based training in intercultural competency, conflict resolution, human rights, and anti-racism."⁶⁷

PARTNER ORGANIZATIONS

This year, STEMCELL supported the following organizations progressing reconciliation with Indigenous peoples.

- **Indspire:** For the second consecutive year, STEMCELL partnered with Indspire, a Canadian Indigenous charity that invests in the education of First Nations, Inuit, and Métis people for the long-term benefit of these individuals, their families and communities, and Canada.⁶⁸ Funds are raised by employees and matched by STEMCELL to fund the STEMCELL Technologies Indigenous Youth in Science Scholarship. We also attended Indspire's Soaring: Indigenous Youth Empowerment Gathering this past year, a career fair aimed at providing students with information and pathways to post-secondary education.
- **Verna J. Kirkness Foundation:** STEMCELL is a corporate donor to the Verna J. Kirkness Foundation, whose mission is to increase the number of Indigenous students in Canada graduating from pure and applied science, engineering, and mathematics programs.⁶⁹

⁶⁸ <https://indspire.ca/about/>

⁶⁹ <https://vernajkirkness.org/>

⁷⁰ <https://wearebctech.com/talent/bc-tech-intern-program/>

⁷¹ <https://www.aies.org/>

⁷² <https://www.aief.com.au/>

- **Let's Talk Science:** STEMCELL is a long-time supporter of Let's Talk Science and we specifically direct a portion of our financial donation toward their Indigenous learning programs.
- **BC Tech Association:** STEMCELL is a partner in the BC Tech Association's Digital Lift, a rapid upskilling program designed to help individuals break into the tech sector by learning in-demand skills. STEMCELL offers paid internships to individuals who self-identify as members of underrepresented groups, including Indigenous peoples.⁷⁰
- **American Indian Science and Engineering Society:** This year, STEMCELL employees based in the United States raised money, matched at the corporate level, for the American Indian Science and Engineering Society, a non-profit professional association with the goal of substantially increasing the representation of American Indian, Alaskan Native, Native Hawaiian, Pacific Islander, First Nations, and other Indigenous peoples of North America in STEM fields, and other related disciplines.⁷¹
- **Australian Indigenous Education Foundation (AIEF):** This past year, STEMCELL employees based in Australia raised funds for Australian Indigenous Education Foundation, which provides scholarships to Indigenous students in Australia.⁷²

STEMCELL INITIATIVES

- **Annual Truth and Reconciliation Campaign:** In September 2022, we held our second annual Indigenous Truth and Reconciliation campaign for our employees. The week-long event included lunch and learns, an allyship workshop, resources and ideas to encourage employee learning, reflection and "reconciliACTIONS" (actions to advance reconciliation), and a fundraiser benefitting regional Indigenous organizations. All employee donations were matched by STEMCELL.
- **National Indigenous History Month:** In June 2023, members of our Indigenous ERG and Corporate Communications team celebrated National Indigenous History Month by creating an intranet site to showcase the collection of Indigenous artwork within our facilities. This intranet site shares information about the artists and tells the stories behind some of these Indigenous works.
- **Land Acknowledgements:** For employees wishing to recognize the Indigenous territory they are speaking from or gathered on, STEMCELL provides guidance on how to make a land acknowledgement statement. All company-wide meetings in North America begin with a land acknowledgement statement.



Community Impact - Challenges and Ambitions

As new members of the UN Global Compact, our social impact focus for Fiscal Year 2024 will be to integrate the Ten Principles and Sustainable Development Goals into our community outreach program and support the business in embedding these goals and guidelines into day-to-day operations. We will also invest in deepening our knowledge of these frameworks and enhancing our reporting to fulfill our communication obligations.

With our headquarters and the majority of our staff based in Canada, our outreach efforts tend to be more concentrated in North America. We are looking forward to working closely with colleagues in our offices outside of Canada to support more regional events, causes, and organizations.

Also on our social impact roadmap are ensuring we continue to engage our people and communities in doing good and tracking our community investment; we intend to achieve this by formalizing our employee volunteer program in the near future.

We will continue to support organizations that Advance Science, Foster STEM Education, Empower Healthy Communities, and Progress Indigenous Reconciliation, and we will update our internal guidance, processes, tracking, and reporting to maximize our impact.

We are fortunate to work among colleagues who are passionate about giving back to their communities. By communicating the tremendous work done by our community partners, STEMCELL volunteers, STEM students, and fellow scientists, we hope to grow awareness, engagement, and the belief that each of us can make a difference.

Community Impact in Action

Introducing the Indigenous Art Collection Digital Gallery

In June 2023, to mark National Indigenous History Month, STEMCELL launched a new Indigenous Art Collection Digital Gallery for our employees on our company intranet. The online gallery, which was created in collaboration between STEMCELL's Indigenous ERG and the Corporate Communications team, celebrates works by Indigenous artists from the Pacific Coast and across Canada. Various pieces, including carvings, textiles, prints, and silkscreens, can be found on display throughout STEMCELL's global facilities.

In recognition of art as an excellent means of educating audiences to better understand the world around them, the online gallery is aimed at inspiring new and ongoing conversations around the Indigenous experience in Canada and promote continuous learning, self-reflection, and actions in support of reconciliation with Indigenous peoples.

Visitors to our headquarters in Vancouver, Canada are greeted by this magnificent nine-foot tall red cedar wood totem, "The Watchmen, Eagle and Beaver", carved by Haida artist Carner Moody.



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