

Original email sent from Above Ground on September 21, 2022:

Dear Supermax Healthcare Canada Representative,

I'm writing to you on behalf of Above Ground, a civil society initiative that seeks to ensure companies based in Canada or supported by the Canadian state respect human rights in their business activities and relationships worldwide.

We are preparing to issue a publication highlighting potential Canadian business ties to forced labour abroad, which will identify companies that have imported into Canada goods made by manufacturers suspected of using forced labour. By reviewing U.S. shipment records (bills of lading) accessed through the Panjiva import database, we determined that since November 2021 Supermax Healthcare Canada has continued to be sent shipments of disposable gloves from Malaysia and Hong Kong by Maxwell Glove Manufacturing and Supermax Global Ltd, which are subsidiaries of Supermax Corporation. If you believe your company has been wrongly listed as the recipient of these shipments, please advise me immediately.

As you will recall, in October 2021 U.S. Customs and Border Protection (CBP) issued a detention order on all disposable gloves made in Malaysia by Supermax Corporation's wholly-owned subsidiaries Maxwell Glove Manufacturing, Maxter Glove Manufacturing and Supermax Glove Manufacturing. This enforcement action was [based on](#) information that "reasonably" indicated the use of forced labor in the companies' manufacturing operations. CBP says it "identified 10 of the International Labour Organization's indicators of forced labor during its investigation." This means it found signs that workers' rights had been violated in all but one of the following ways:

- Abuse of vulnerability
- Abusive working and living conditions
- Debt bondage
- Deception
- Excessive overtime
- Intimidation and threats
- Isolation
- Physical and sexual violence
- Restriction of movement
- Retention of identity documents
- Withholding of wages

Supermax Corporation's [website](#) and its 2021 [annual report](#) indicate that its gloves are manufactured only in Malaysia, and only by the three subsidiary companies subject to the U.S. detention order. This suggests that the gloves Supermax Healthcare Canada has sourced from Supermax Global Ltd. were likely produced in Malaysia by one of these subsidiaries.

Your company may therefore be named in our publication, alongside other firms that have imported into Canada goods from manufacturers of concern. Our publication may also discuss any public comment your company has made regarding its business with Supermax Corporation's subsidiaries in Malaysia, or any further information you may wish to provide now.

If your company wishes to provide a response for us to include in our report, we invite you to reply to this email by **October 13, 2022**. If you need slightly more time to respond, please advise as soon as possible.

We thank you for your attention to this important matter.

Kind regards,
Karen Hamilton
[Director, Above Ground]

More about our research process:

Above Ground's research is based on shipment records ([bills of lading](#)). For many shipments arriving at U.S. ports, including those en route to Canada, these records [are made accessible](#) to the public by companies such as Panjiva and Import Genius. We searched Panjiva's database for shipments sent to consignees (recipients) in Canada by manufacturers whose products are or were subject to withhold release orders in the U.S. (These orders are [issued by the U.S. government](#) when it finds "information reasonably but not conclusively indicates" the goods were produced in whole or part by forced labour. A list of active withhold release orders can be found [here](#).) In addition, we looked for shipments in which the manufacturer's name was mentioned in the description of goods shipped.

To do this, we ran searches for shipment records with the manufacturer's name in the fields "shipper," "shipper (original format)," or "goods shipped." We filtered the results to include only shipments sent to a consignee in Canada during the timeframe in which the goods were under a U.S. withhold release order. The Panjiva search results are presented in tables that can be downloaded, each line containing a single shipment record. We examined each record to verify that the manufacturer in question was involved and, where relevant, that the goods shipped were those under a withhold release order. We deleted the irrelevant records, then counted the number of shipment records for each consignee (recipient).

Reply from Supermax Canada on October 12, 2022:

Madame Hamilton,

Je vous remercie d'avoir pris le temps de nous informer de vos démarches. En suivi de votre proposition, nous souhaitons vous communiquer certaines précisions

concernant la gouvernance et le fonctionnement actuel de notre entreprise. Vous les trouverez inscrites dans les lettres en pièces jointes.

Serons-nous informés du moment de la publication?

Cordialement,

Sylvain Bergeron
Vice-Président Exécutif et Partenaire
Executive Vice-President & Partner

October 2022

By Email

Mrs Karen Hamilton
Director
Above Ground
khamilton@aboveground.ngo

SUBJECT: Clarification of the Governance and Operations of Supermax Healthcare Canada

Mrs Hamilton,

Thank you for taking the time to inform us of your efforts. As a follow-up to your proposal, we would like to provide you with the following information regarding the governance and current operations of our company.

First, Supermax Healthcare Canada is a Canadian company, fully operated by its founder, a Québec owner. In keeping with our values, our company made major investments during the COVID-19 pandemic to respond to the health emergency and increase local production of personal protective equipment, such as surgical masks.

We are very proud to have built and manage a production facility located in Longueuil, Québec, which can produce several million masks per year. Moreover, our facilities are completely independent from other Supermax manufacturers, both in terms of operations and supply.

Supermax Healthcare Canada is thus at liberty to source all of the products it distributes from the company of its choice, and we have increased the diversification of our suppliers since labour issues were raised in the Malaysian glove manufacturing plants of our supplier Supermax Corporation.

In light of these revelations in November 2021, [we immediately and unequivocally condemned the U.S. government's alleged practices](#) and announced our intention to evaluate procurement options with other nitrile glove suppliers. Supermax Corporation then began an ongoing process of four independent audits to get to the bottom of the matter and to rectify the situation.

In addition, we would like to emphasize that we have an excellent and transparent business relationship with the Canadian government. In no case and at no time have our products been banned from import and sale in Canada. Despite the problematic situation Supermax Corporation has encountered with the U.S. authorities, the Canadian government clearly indicates that Supermax Healthcare Canada is still allowed to conduct business in Canada and



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to participate in public tenders. The government's full statement on this issue can be [found here](#).

We hope this will shed some light on the distinctions between our company and Supermax Corporation.

Yours sincerely

A handwritten signature in black ink, appearing to read "Sylvain Bergeron". The signature is fluid and cursive, with a long horizontal stroke at the end.

Sylvain Bergeron
Executive Vice President - Owner
Supermax Healthcare Canada

Octobre 2022

PAR COURRIEL

Madame Karen Hamilton
Directrice
Above Ground
khamilton@aboveground.ngo

OBJET : Précisions entourant la gouvernance et les opérations de Services de santé Supermax Canada

Madame Hamilton,

Je vous remercie d'avoir pris le temps de nous informer de vos démarches. En suivi de votre proposition, nous souhaitons vous communiquer les précisions suivantes concernant la gouvernance et le fonctionnement actuel de notre entreprise.

D'abord, Services de santé Supermax Canada est une entreprise canadienne, dont la direction est pleinement assurée par son fondateur, un propriétaire québécois. En accord avec nos valeurs, notre entreprise a fait des investissements majeurs durant la pandémie de COVID-19 pour répondre à l'urgence sanitaire et augmenter la production locale d'équipements de protection individuelle, tels que les masques chirurgicaux.

Nous sommes d'ailleurs très fiers d'avoir bâti et d'opérer une usine de production située à Longueuil (Québec), qui peut produire plusieurs millions de masques par année. D'ailleurs, nos installations sont entièrement indépendantes des autres fabricants de la marque Supermax, tant au niveau des opérations que de l'approvisionnement.

Services de santé Supermax Canada est donc libre de s'approvisionner auprès de l'entreprise de son choix pour tous les produits qu'elle distribue et nous avons justement renforcé la diversification de nos sources depuis que des enjeux de conditions de travail ont été soulevés dans les usines malaisiennes de fabrication de gants de notre fournisseur Supermax Corporation.

Au regard de ces révélations en novembre 2021, [nous avons aussitôt condamné sans équivoque](#) les pratiques alléguées par le gouvernement américain et annoncé notre intention d'évaluer les options d'approvisionnement auprès d'autres fournisseurs de gants en nitrile. S'entamait alors chez Supermax Corporation un processus toujours en cours d'une série de quatre audits indépendants afin de faire toute la lumière sur cette affaire et de régulariser la situation.

En terminant, nous voulons souligner que nous entretenons d'excellentes relations commerciales, basées sur la transparence, avec le gouvernement canadien. En aucun cas et à aucun moment nos produits n'ont été interdits d'importation et de vente au Canada. Malgré la situation problématique rencontrée par Supermax Corporation avec les instances américaines, le gouvernement canadien indique clairement que Services de santé Supermax Canada est toujours autorisé à mener ses activités commerciales au Canada et à participer aux appels d'offres publics. La déclaration complète du gouvernement sur cette question peut être [consultée ici](#).

Nous espérons que ces informations vous éclaireront sur les distinctions entre notre entreprise et Supermax Corporation.

Veillez agréer, Madame Hamilton, l'expression de nos sentiments distingués.



Sylvain Bergeron
Vice-président exécutif - Propriétaire
Services de santé Supermax Canada