



Reporting to Prevent and Reduce the Risk of Forced and Child Labour in Supply Chains

PURSUANT TO THE CANADIAN 'FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT'



Reporting Period: June 1, 2023 to May 31, 2024

Purpose

The purpose of this report is to explain activities taken within the fiscal year of Jun 1, 2023 to May 31, 2024 to prevent and/or reduce the risk that forced labour and child labour is used at any step of the production of goods in Canada or in the USA or of goods imported into Canada.

Forced/child labour is prohibited at Atlantic, as per our Code of Conduct and Human Rights Policy. Atlantic provides training to employees to raise awareness, and both employees and suppliers are informed of the Whistleblower process for reporting and investigating complaints concerning human rights. No incidents of forced or child labour in our activities and supply chains have been identified.

This Report is published pursuant to the Canadian federal Bill S-211 ‘An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act’ (hereafter, “the Act”) and sets out the steps that Atlantic Packaging Products Ltd. (hereafter, “Atlantic”) has taken and is continuing to take to prevent and reduce the risk that forced and/or child labour is used at any step of the production of goods or of goods imported into Canada by our business. The Report aligns to activities implemented and processes underway during Atlantic’s fiscal year, from June 1, 2023 to May 31, 2024.

The following itemized report responses align to the Government of Canada online questionnaire administered by Public Safety Canada (reference link: <https://www.publicsafety.gc.ca/cnt/cntrng-crm/frcd-lbr-cndn-spply-chns/index-en.aspx>).

PART I: IDENTIFYING INFORMATION

Reporting Entity [1,2]: Atlantic Packaging Products Ltd.

Financial Reporting Year [3]: June 1, 2023 – May 31, 2024

Report Version [4]: Initial report

Entity Business Number [5]: *Intentionally blank, but will be provided in government online form submission with a copy of this report*

Is this a joint report? [6]: No, this is not a joint report

Is the entity also subject to reporting requirements under supply chain legislation in another jurisdiction? [7]: No

Entity's applicability parameters [8]:

- Entity has a place of business in Canada; does business in Canada; and has assets in Canada
- Entity meets size-related thresholds

Applicable sectors/industry [9]: Manufacturing

Entity is headquartered or principally located in [10]: Ontario, Canada

(Entity is not a Crown corporation [11])

PART II: REPORTING

Applicable steps taken [1*]:

- ✓ Mapping activities
- ✓ Mapping supply chains
- ✓ Conducting an internal assessment of risks of forced labour and/or child labour in the organization's activities and supply chains
- ✓ Developing and implementing an action plan for addressing forced labour and/or child labour risks
- ✓ Gathering information on worker recruitment and maintaining internal controls to ensure that all workers are recruited voluntarily
- ✓ Addressing practices in the organization's activities and supply chains that increase the risk of forced labour and/or child labour
- ✓ Developing and implementing due diligence policies and processes for identifying, addressing, and prohibiting the use of forced labour and/or child labour in the organization's activities and supply chains
- ✓ Carrying out a prioritization exercise to focus due diligence efforts on the most severe risks of forced and child labour
- ✓ Requiring suppliers to have in place policies and procedures for identifying and prohibiting the use of forced labour and/or child labour in their activities and supply chains
- ✓ Developing and implementing child protection policies and processes
- ✓ Developing and implementing anti-forced labour and/or -child labour contractual clauses
- ✓ Developing and implementing anti-forced labour and/or -child labour standards, codes of conduct and/or compliance checklists
- ✓ Monitoring suppliers

- ✓ Enacting measures to provide for, or cooperate in, remediation of forced labour and/or child labour
- ✓ Developing and implementing grievance mechanisms
- ✓ Developing and implementing training and awareness materials on forced labour and/or child labour
- ✓ Developing and implementing procedures to track performance in addressing forced labour and/or child labour
- ✓ Engaging with supply chain partners on the issue of addressing forced labour and/or child labour
- ✓ Engaging directly with workers and families potentially affected by forced labour and/or child labour to assess and address risks

Applicable steps the entity has taken [2]: At Atlantic, responsible management rests on our corporate culture based on high standards and Core Values, where we hold one another to account for informed decision-making based on sound ethical principles and our integrity-based Code of Conduct. Third party vendors or supplier operations are also expected to abide by the Supplier Code of Conduct. Atlantic has established a Supplier Code of Conduct with anti-corruption principles and intent to uphold Environmental, Social, and Governance (ESG) values throughout the supply chain. Atlantic applies our Core Values in working with our supplier partners, and we expect our suppliers to reciprocate as responsible partners fostering sustainability in supply chains.

Entity's structure [3*] is a Corporation.

Entity's activities include [4*]:

- Producing (manufactured) goods in Canada
- Selling goods in Canada and outside Canada
- Distributing goods in Canada and outside Canada
- Importing into Canada goods produced outside Canada
- Controlling an entity engaged in producing, selling or distributing goods in/outside Canada; or importing into Canada goods produced outside Canada

Additional information on entity's structure, activities and supply chains [5]:

Atlantic Packaging Products Ltd. ("Atlantic") designs, manufactures and delivers corrugated packaging products to customers in Canada and parts of the US. Business activities focus on packaging solutions that are tested and proven to provide protective packaging that also help market our customer's products. Along with corrugated packaging, we offer pre-print, retail packaging and displays, paper bag products, and 100% recycled linerboard.

Does the entity have policies and due diligence processes in place related to forced labour and/or child labour? [6*]: Yes

If yes, which of the following elements of the due diligence process has the entity implemented in relation to forced labour and/or child labour [6.1*]?

- ✓ Embedding responsible business conduct into policies and management systems
- ✓ Identifying and assessing adverse impacts in operations, supply chains and business relationships
- ✓ Ceasing, preventing or mitigating adverse impacts
- ✓ Tracking implementation and results
- ✓ Communicating how impacts are addressed
- ✓ Providing for or cooperating in remediation when appropriate

Intentionally blank [7]

Has the entity identified parts of its activities and supply chains that carry a risk of forced labour or child labour being used [8*]? Yes, we have identified risks to the best of our knowledge and will continue to strive to identify emerging risks in order to prevent or reduce the risk of forced and/or child labour.

If yes, the entity identified risks related to the following aspects of its activities and supply chains [8.1*]:

- The raw materials or commodities used in its supply chains
- Tier one (direct); tier two and three suppliers

The entity identified forced labour or child labour risks in its activities and supply chains related to the following sectors/industries [9*]:

- Manufacturing; Transportation and warehousing

Intentionally blank [10]

Has the entity taken any measures to remediate any forced/child labour in its activities and supply chains [11*]? NA, we have not identified any forced or child labour in our activities and supply chains.

Intentionally blank [11.1], based on NA (above)*

Intentionally blank [12], based on NA (above)

Has the entity taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced/child labour in its activities and supply chains [13*]? NA, we have not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of forced or child labour in our activities and supply chains.

Intentionally blank [14], based on NA (above)

Does the entity currently provide training to employees on forced labour and/or child labour [15*]? Yes, there is awareness training to employees on forced and child labour. The training is mandatory for employees making contracting or purchasing decisions. Education is also incorporated into the mandatory Code of Conduct training.

Intentionally blank [16]

Does the entity currently have policies and procedures in place to assess its effectiveness in ensuring that forced labour and child labour are not being used in its activities and supply chains [17*]? Yes. For example, the Supplier Risk Assessment process, the supplier pre-qualification questionnaire, and the Supplier Code of Conduct help to reduce the risks associated with forced/child labour.

If yes, what method does the entity use to assess its effectiveness [17.1*]?

- ✓ Setting up a regular review of the organization's policies and procedures related to forced labour and child labour
- ✓ Tracking relevant performance indicators, such as levels of employee awareness, number of cases reported and solved through grievance mechanisms and numbers of contracts with anti-forced labour and/or child labour clauses

Approval

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

X 

Paul Doyle
Chief Financial Officer

I have the authority to bind Atlantic Packaging Products Ltd.