

**PREMIUM FOODS & ADP DIRECT POULTRY**  
*and Associated Companies*

**BILL S-211 REPORT**

**"An Act to enact the Fighting Against Forced Labor and Child Labor in Supply Chains Act"**

**For the fiscal year ended October 31, 2023**

Premium Foods & ADP Direct Poultry *and Associated Companies* listed in this report (together, the “Company”) are committed to operating its facilities in a legal, ethical, and morally-sound manner. The Company’s commitment to protecting human rights and responsible labour practices is founded on its strong belief in doing the right thing. Forced labour or child labour in our organization or in those of our suppliers and subcontractors will not be tolerated. The way operations and global supply chain partners uphold these commitments to human rights, including preventing forced labour and child labour, is critical to the Company’s long-term business success. If instances arise where these expectations are not met, we will respond in an appropriate manner.

### **Addressing Child Labor and Forced Labour**

The Company is committed to engaging in employment practices that meet all ethical and legal standards, including laws and regulations related to child labour and forced labour, in the markets in which it operates. We do not tolerate any form of modern slavery, forced labour or child labour in our operations or our supply chain. Like its internal commitment to preventing child labour and forced labour, the Company expects its suppliers to share and uphold these same commitments across their business operations as well. Further, the Company expects its suppliers to uphold these expectations through their supply chains – including their raw material, component, or ingredient suppliers.

The use of child labour that contravenes local labour laws within the Company’s operations or by the Company’s suppliers is strictly prohibited. Management is responsible for ensuring that child labour does not occur at any of the Company’s locations and managing the risk of child labour in the Company’s supply chain relationships.

All workers across the Company’s operations and its suppliers’ operations must work under voluntary conditions. The Company and its suppliers will not use any form of forced or involuntary labour, including prison labour, indentured labour, bonded labour, military labour, slave labour or any form of human trafficking.

### **Structure and Supply Chain**

The company employes over 300 people of which over half are covered by collective agreements. We are 100% Canadian owned. Our operations are all in Canada and is headquartered in Etobicoke, Ontario.

The Company sources a variety of raw materials to produce manufactured products, most of which are global commodities that are generally readily available from a variety of suppliers and brokers. The Company’s most sourced raw materials currently are poultry, beef, and pork.

There is a deep commitment to the highest standards of integrity in our business relationships and activities. These standards are also expected from our suppliers and contractors.

### **Accountability and Remediation**

The Company has internal policies including its Supplier Approval Program and are developing a Code of Business Conduct that further reinforce and clarify its commitment to responsible labour practices, including prevention and use of forced labour and child labour. Annual reviews ensure that its policies related to forced and child labour are effective.

### Internally

The Company's executives and management teams will be required to review and sign off on the Company's Code of Business Conduct annually, and to ensure it is upheld with all employees in each of the Company's operating facilities. Violations of the Company's policies will result in the Company taking effective remedial actions, such as disciplinary actions up to and including termination.

The Company assesses risks of forced labour or child labour across its supply chain, and determines priorities based on areas of highest risk. While the Company's operations predominantly reside in North America, its complex supply chain extends globally. Since labour practices (including forced and child labour) can vary significantly by geographic location, industry and business activity, the Company continually assesses and monitors its own operations, and our supply chain partners to mitigate and manage these risks.

### Externally

For many years, the Company has had in place a Supplier Approval Program. Under the Supplier Approval Program, the Company reserves the right to monitor and verify compliance to both Food Safety risks and vulnerability risks. The Company requires a third-party audit from all direct suppliers. In the absence of a third-party audit, a questionnaire is completed, and the supplier is more highly scrutinized.

Recently we have added a risk assessment for forced and child labour. All suppliers have been made to sign stating that they are aware of the Bill S-211 Modern Slavery Act and are committed to comply with the legislation, assurance they are implementing measures and policies to identify and address potential instances of forced labour or child labour within their supply chain and guarantee that steps are being taken to ensure that all their employees and suppliers are aware of and adhere to the principles outlined in the Bill S-211 Modern Slavery Act. This may include information requests to validate conformance and/or on-site visits or inspections.

Suppliers must report any known or suspected breaches of the Supplier Approval Program and may require corrective action(s) to ensure compliance. Where possible, the Company will work with suppliers in violation of the Supplier Approval Program to develop and implement a plan for remediation. However, if a supplier is either unwilling or fails to make necessary changes to their practices, the Company may cease its relationship with that supplier.

### Accountability

The Company has a Whistleblower Policy where any concerns or issues of non-compliance or questionable practices can be reported. The policy forbids retaliation for the act of good faith whistleblowing regardless of the determination of any follow up investigation.

### **Training and Awareness Building**

The Company continues to build on its ethical business practices, including key human rights considerations, by focusing on further awareness, engagement, and knowledge building across the Company's businesses. A formalized training session regarding forced and child labour in supply chains is being developed and will be provided to the Company's leadership, human resources, and procurement teams. The training will cover various topics including awareness, identification, and prevention of human trafficking risks, slavery risks, and other aspects of supplier social responsibility and

legal compliance. We are planning to integrate training for our suppliers on our position against forced and child labour.

The Company's Supplier Approval Program encourages increased transparency and values alignment with the Company's suppliers, inclusive of standards relating to forced and child labour. The Supplier Approval Program establishes clear protocols for cases of non-compliance and demonstrates the Company's commitment to collaborating with its suppliers on conflict resolution through corrective actions and/or potential remediation measures.

### Summary

The Company remains committed to preventing forced and child labour within the Company's operations and by its suppliers. The Company is committed to engaging with its employees and suppliers on these concerns and continues to fortify its approach to reducing the risks associated with forced or child labour in the Company's business and supply chains, while ensuring compliance with applicable labour laws. We will continue to review our policies, procedures, and practices annually to determine any potential enhancements.

<b>Reporting entity's legal name:</b>	ADP Direct Poultry Ltd
<b>Financial reporting year:</b>	Fiscal Year-Ended October 31, 2023
<b>Joint report for the following entities:</b>	Bonte Foods Ltd. Simple Path Farms Poultry Ltd.

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.

I have the authority to bind ADP Direct Poultry Ltd.

Date: April 30, 2024

Signed



Augusto Pinho  
President