

2023 Forced and Child Labour Report

This Report, published in compliance with the Canadian “*Fighting Against Forced Labour and Child Labour in Supply Chains Act*”, sets out the actions that Aimia Inc. (“Aimia”) and its subsidiaries in scope for this report, Bozzetto Group and Cortland International, have taken to prevent and address forced and child labour in our businesses. The Report covers the activities of Aimia and its subsidiaries for the calendar year 2023 through to May 2024.

Introduction

At Aimia, being socially responsible is core to our business and our purpose. We are committed to building value creation in part through robust governance across our business. Our culture guides our people to behave in an ethical way, to do the right thing, and act on any concerns they have. It’s important that all our people live up to this, and we expect the same of our suppliers. We are committed to supporting and respecting the protection of human rights. We conduct our business in a manner consistent with all applicable employment and human rights laws and regulations. We never condone, facilitate, or support the use of child or forced labour.

Our Business and Supply Chain

Aimia is a holding company which owns two core, controlled businesses : (i) a **94.1% investment in Bozzetto**, one of the world’s largest ESG-focused providers of sustainable specialty chemicals and (ii) a **wholly-owned investment in Cortland International**, a global designer, manufacturer and supplier of technologically advanced ropes, nets, slings and tethers. In addition, the Corporation owns some non-core, non-controlled businesses which includes a **10.85% investment in Clear Media Limited**, one of the largest outdoor advertising firms in China and a **49.2% investment stake in Kognitiv**, a B2B global SAAS company inspiring customer loyalty through data personalization.

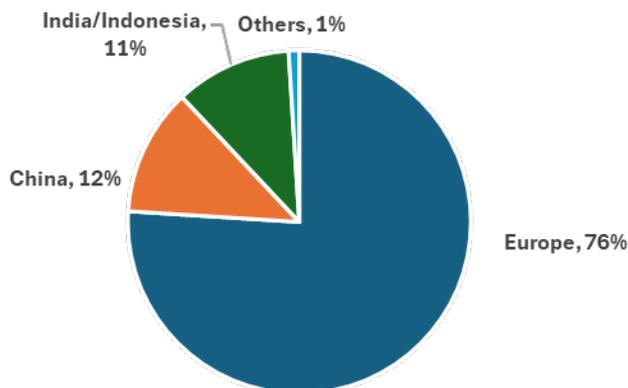
This report focuses on Aimia and its two core global businesses as its scope for this report - Bozzetto and Cortland International which are further described below.

The Bozzetto Group produces chemical auxiliaries for the textile industry, the construction industry, the water treatment segment, the personal care industry, the agrochemical sector, and many others. Bozzetto’s business model focuses on customers and products, and to keep quality standards constantly high, it works on several fronts including: selection of the best raw materials; development of in-house analytical and organic synthesis labs; formulation of new products; diversification of the range of products; quality control and compliance with regulations and certifications; deep application knowledge; and effective customer consultancy.

Bozzetto purchases from large enterprises that are required to follow REACh (Registration Evaluation Authorisation of Chemicals, Regulation N°1907/2006), the strict EU regulation to sell to Europe, which demands a stringent chemical risk assessment to protect human health and the environment. Such a regulation demands significant investment in the training of employees. Bozzetto’s non-European suppliers need to follow the same regulation. In addition, suppliers to Bozzetto’s plants outside Europe are the same vendors that follow these European standards.

The company procures goods from China, Asia, and Europe with approximately 76% of purchases from Europe (for the most part, Germany, France, and Spain), 12% from China, 11% from India and Indonesia, and 1% from Others.

Figure 1: Geography of supplier mix of Bozzetto Group (Approximate %)



Cortland International is a combination of two businesses acquired in 2023, Tufropes and Cortland Industrial. **Tufropes** founded in 1992, is a global leader in the manufacturing of high-performance synthetic fiber ropes and netting solutions for maritime and other industrial customers. Tufropes' products are known for their unique combination of design and performance characteristics, including resistance to UV radiation, low abrasion, and high tensile strength. Tufropes is uniquely positioned to serve the global maritime sector across a huge range of stock keeping units (SKUs) with a global network of sales distributors reaching over 70 countries. **Cortland Industrial** is a leading global designer, manufacturer, and supplier of technology-driven synthetic ropes, slings and tethers to the Aerospace & Defense, Marine, Renewables, and other diversified industrial end markets. Founded in 1979 and operating manufacturing locations in Anacortes, Washington and Houston, Texas, Cortland Industrial is a widely recognized brand with an industry-leading portfolio of custom-engineered, innovative, high-performance synthetic fiber rope solutions for demanding applications.

Beyond its expertise in transforming resins into ropes and nets, Cortland International's advantage lies in its deep, longstanding relationships and technical collaborations with its customer base. Tufropes is one of the largest global manufacturers of high-performance synthetic fiber ropes, and also a large global manufacturer of aquaculture nets. Its sustainable competitive advantages are driven by R&D, a cost-advantaged manufacturing base in India, manufacturing expertise, manufacturing scale, a global network of distributors, and sales to customers in more than 70 countries.

Cortland Industrial's key supplier is U.S.-based. However, it purchases polymers from India, yarn from China, and chafe gear from Italy. Tufropes key supplier is in India.

Policies and Due Diligence Processes

We have established the following policies that guide and support our commitment to sustainability, corporate social responsibility, and human rights. We have outlined below policies for the three entities in scope for this report - Aimia Inc., Bozzetto Group, and Cortland International.

A. Aimia Inc. Policies

1. Code of Ethics

Our [Code of Ethics \(the "Code"\)](#) applies to Aimia Inc. as well as our subsidiaries and affiliates (collectively, "Aimia Group"). The Code explains the fundamental values and standards of behaviour that Aimia Group's shareholders and stakeholders expect in all aspects of Aimia Group's business. It indicates to clients, government organizations and the general public the high standards that all members of the Aimia Group team have undertaken to meet in fulfilling their responsibilities. Aimia Personnel are expected to comply in good faith at all times with all applicable laws, and behave in an ethical manner.



Our Code also details Aimia’s commitment to maintaining a respectful workplace for all personnel and our **zero-tolerance for harassment and discrimination**. Personnel who believe that they feel discriminated against or harassed must report such conduct to their immediate supervisor or, if such supervisor is involved in the matter, to the Chief Legal Officer and Corporate Secretary. The Code details complaint procedure and disciplinary actions. We are committed to undertaking appropriate actions against individuals who discriminate against or harass Aimia Personnel.

The **health and safety** of our employees is our priority. Fostering wellness is part of our commitment to maintain an engaged and stable workforce. Aimia is committed to meeting the requirements of any applicable laws and regulations related to health and safety. Safety and prevention of accidents is the responsibility of all personnel. Personnel are responsible for following safe operating practices in the performance of their jobs.

2. Corporate Social Responsibility Policy (CSR) Policy

Our [Corporate Social Responsibility \(CSR\) Policy](#) details Aimia’s CSR principles which includes: *investing in a socially responsible and ethical manner, acting with integrity and professional conduct; implementing effective corporate governance structures; encouraging environmental stewardship; and, managing our business and resources conservatively with a long-term mindset*. Our CSR Policy promotes human and labour standards and details Aimia’s commitment to “never condone, facilitate, or support the use of child or forced labour, or human trafficking practices”.

3. Whistleblower Policy

Our [Whistleblower Policy](#) seeks to safeguard the integrity of the financial reporting and business dealings of Aimia, as well as our subsidiaries and affiliates (collectively, “Aimia Group”), and to support adherence to our Code of Ethics.

The Policy outlines the procedure for raising and reporting concerns anonymously, to provide protection to individuals, It also establishes a process for investigating reported issues.

Aimia Group determines the appropriate steps to undertake to determine what, if any, corrective and disciplinary actions will be taken in respect of any reported incident. This may include input from the Board, its committees or their respective chairs, the Chief Executive Officer or the Chief Financial Officer.

Aimia does not tolerate acts of retaliation or retribution, including termination, demotion, transfer, denial of promotion, discipline, discrimination, harassment, suspension, threats or any other discriminatory actions, against any personnel or others who make a good faith incident report.

B. Bozzetto Group Policies

1. Code of Conduct

Bozzetto’s Code of Conduct states the ethical commitments and responsibilities that guide the performance of business activities and corporate operations undertaken by Bozzetto, its subsidiaries and their directors and employees. The Code protects individuals’ freedom in all forms and rejects any form of violence. The company complies with any applicable laws on personal rights, with specific regard to the moral and physical integrity of our personnels. As part of its values and ethical principles, it has a zero tolerance for the exploitation of child labour and we safeguard the respect of our workers rights, the freedom of trade unions and the rights of association.

The Code also details its commitment to health and safety. The health and safety of workers is paramount to Bozzetto. Bozzetto employs the best efforts and the highest commitment to promote health and safety in our workplace. It takes appropriate measures to avoid any possible risks that may arise from the operation of our business and, where that is not possible, it adequately evaluates the existing risks in order to counter them right to the source and guarantee their elimination, or if that is not possible, their management.



2. Whistleblowing

[Whistleblowing](#) serves as a cornerstone for building a corporate culture that operates with integrity and responsibility. Bozzetto has adopted appropriate measures in order to manage reports of misconduct and illegal conduct in a lawful and transparent manner. The measures for handling reports enable employees and all those who have professional relationships with Bozzetto to report misconduct and illegal activities, contributing to the health and ethical development of the company. Reports are handled, taking care to ensure protection and discretion for those who report misconduct.

The whistleblower policy safeguards the confidentiality of whistleblowers to avoid any fear of discrimination or repercussions. To this end, Bozzetto has established an independent [platform](#) to guarantee confidentiality to whistleblowers.

C. Cortland International Policies

1. Employee Handbook

The Employee Handbook applies to all employees, as compliance with Cortland's policies is a condition of employment. The Handbook guarantees equal employment opportunities for employees and employment applicants and prohibits unlawful discrimination based on race, religion, creed, color, national origin, sex, pregnancy, sexual orientation, gender identity, age, ancestry, physical or mental disability, genetic information, marital status, or any other classification protected by law.

Cortland is dedicated to creating and **maintaining an atmosphere of diversity and inclusion for all**. Prospective employees and current employees alike are expected to treat each other and be treated with respect and dignity.

The company is also committed to providing a work environment free of sexual or any form of unlawful harassment or discrimination. Any employee or contract worker who violates this policy will be subject to disciplinary action, up to and including termination of their employment or engagement. To the extent a customer, vendor or other person with whom Cortland does business engages in unlawful harassment or discrimination, we will take appropriate corrective action.

Employees or contract workers are encouraged to promptly report any harassment or discrimination experienced or witnessed to their supervisor or any other member of management.

The Handbook also provides guidance on the employment of minors. the company **strictly complies with the child labour provisions** of the U.S. Government Fair Labour Standards Act (FLSA), which protects the educational opportunities of youth and prohibits their employment in jobs that are detrimental to their health and safety.

Cortland is committed to providing a **safe workplace and healthy environment**, free of recognized hazards that cause or are likely to cause death or physical harm to our employees. All employees have the responsibility to take steps to promote safety in the workplace. Employees are expected to promptly report all unsafe working conditions and practices, accidents, near misses and injuries, regardless of how minor, so that any potential hazards can be corrected.

2. Cortland Supplier Code of Conduct

Cortland's goal is to partner with suppliers to deliver value-for-cost procurement for the company and our customers, and to demonstrate responsible supply chain management. To this end, the company has set out expectations of suppliers in its Supplier Code of Conduct, which suppliers are required to acknowledge.



The company believes everyone should be treated with dignity and respect. Accordingly, it requires suppliers to adhere to all appropriate labour laws and regulations, as well as the conventions of the [International Labor Organization \(ILO\)](#), the [Universal Declaration of Human Rights](#), and the [United Nations Guiding Principles on Business and Human Rights](#), in order to preserve and safeguard human rights. Suppliers must not use child labour (as defined by local law).

Forced or bonded labour, human trafficking, forced prison labour, or involuntary labour through threat, force, coercion, confiscation of government identification, or fraudulent claims are all strictly prohibited by our supplier code of conduct.

3. Tufropes Supplier Code of Conduct

Tufropes is committed to building strong and lasting relationships with suppliers. The Supplier Code of Conduct outlines the principles and standards that suppliers are expected to adhere to in their business practices.

Suppliers are required to ensure a safe and healthy working environment for their employees, contractors, and visitors and comply with all applicable safety regulations. In addition, suppliers are required to provide adequate training and resources to employees to prevent accidents and occupational hazards. Suppliers are also required to respect the labour rights of all employees and maintain a workplace free from all forms of harassment, including sexual harassment. The Supplier Code of Conduct prohibits the use of child labour or forced labour.

4. Cortland International Whistleblower Policy

Cortland's Whistleblower Policy seeks to foster a culture of ethical conduct and integrity within the company and establishes a safe and confidential reporting mechanism that empowers employees, contractors, and other stakeholders to disclose concerns without fear of reprisal.

Retaliation against any whistleblower is strictly prohibited. Whistleblowers will be immune from disciplinary measures or any adverse impact on their rights, benefits, or future opportunities.

This Whistleblower Policy also applies to eligible employees of Tufropes in India. All employees have the right to report concerns or wrongdoing as outlined in this policy. Suggestion boxes are kept at different locations wherein employees can also report any concern anonymously.

Forced Labour and Child Labour Risks

Aimia Inc. will seek to further develop policies and build processes to support our assessment of the risks of forced and child labour across our business, including that of our subsidiaries and their supply chains.

Currently, Bozzetto Group uses a broad evaluation system to assess supplier risks, and it will look to evaluate how it can incorporate forced and child labour risks into this system.

Cortland undertakes quality and financial assessment of its suppliers using its quality management (QMS) system. The company assesses suppliers to determine if they have the required capability, equipment, and capacity to produce the product sourced, including their quality assurance processes. Most of its key suppliers are based in the U.S. Cortland has implemented the Supplier Code of Conduct (mentioned above), and is in the process of confirming acknowledgement of the Code from all critical suppliers. The company also intends to perform audits, and is currently defining the scope of these audits. It will explore options to build on its current systems to capture risks of forced and child labour as part of its supplier assessment process.

Child labour is legally banned in India and signboards are installed in prominent places of the plants to convey this information. Tufropes has also published the India-level ethics policy. In addition, Tufropes has established an HR policy defining working hours, leave, and other terms and conditions of employment. Attendance is monitored through a face



recognition system. Employees under the age of 18 years cannot enter Tufropes facilities as the company system locks in attendance and records it in SAP.

Remediation Measures

Aimia and its subsidiaries are devoted to achieving our commitment to never condone, facilitate, or support the use of child or forced labor, or human trafficking practices in our business. In the event that we identify any evidence of forced and child labor in our business, we will take effective measures to address such a situation in accordance with relevant laws and regulations. We will also work with affected parties to provide appropriate remediation and support, and to prevent recurrence of the issue.

Training

In line with the requirements of the Act, Aimia and its subsidiaries will explore options to build awareness and provide training to relevant employees on the risks of forced and child labour to our business.

Bozzetto Group provides training related to safety, our whistleblower policy, and the environment for personnel working in our plants (in compliance with applicable regulations).

At Tufropes, all employees are provided training on our prevention of sexual harassment policy which also includes the procedure for internal report and investigation.

Assessing Effectiveness

In ensuring our business complies with the requirements of the Act and to support Aimia and its subsidiaries in achieving our commitment to zero-tolerance for forced and child labour, we intend to assess the effectiveness of our measures in preventing and reducing these risks and to evolve our program as necessary.

Future Plans

- Enhance our supplier assessment process to include human and labour rights risk questions (including questions regarding forced and child labour).
- Receive acknowledgements from all critical suppliers confirming conformity with our supplier code of conduct which requires compliance with international human rights and labour standards.
- Provide upskilling and awareness sessions on the risks of forced and child labour to our employees.
- Update and enhance our policies (i.e., Code of Ethics) to reinforce our commitment to zero tolerance for forced and child labour, and better support stakeholders to bring forward risks related to forced and child labour (i.e., whistleblower policy).

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.

Thomas Finke
Aimia Inc.
Executive Chairman
May 31, 2024



"I have the authority to bind 'Aimia Inc.'"

