

May 29, 2024

Armstrong Milling Forced Labour Report

Company Name- Armstrong Milling Co Ltd

Address: 1021 Haldimand Rd 20, Hagersville Ontario

Reporting Year- 2022-2023

Organization DUN # 18117412884

Type of Business- Agriculture Manufacturing and Processing

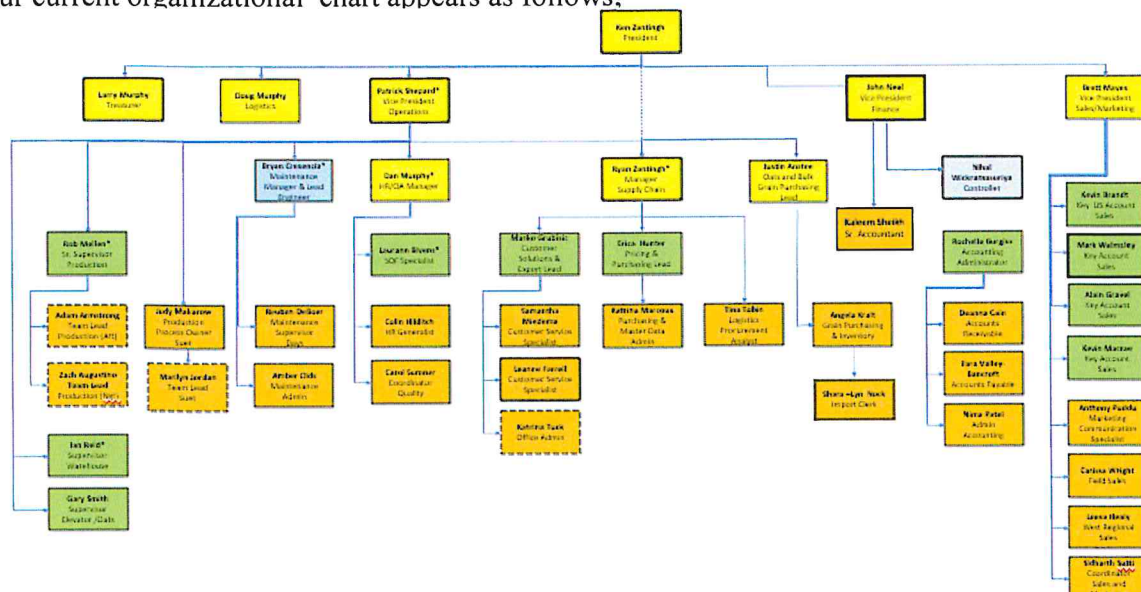
of Employees – 101- All employees are Canadian Citizens

Structure- Private Independently Owned

Structure, Activities and Supply Chains

Armstrong Milling has been a family owned business that has been in business since 1984, on it's conception it had 3 owners and later in it's tenure added an additional 2 owners. The conceptualization of Armstrong Milling and it's current organizational goal is “**Pursue excellence in supplying North America with wild bird products and pet food ingredients through our people, integrity, service and innovation**”. The business started with humble beginnings in Caistorville Ontario with the hope to supply local farm retailers with Pigeon Grains and slowly evolved into manufacturing wild bird food. Currently the company has grown to just over 100 employees with it's sole location being in Hagersville Ontario; we also have a small warehouse located withing Hagersville as well. In the 2022-2023 fiscal year we were able to extend profits to 100M.

Our current organizational chart appears as follows;



Our customers range from smaller pet food stores to larger corporations within Canada and more recently the United States. Customers include but are not limited to Canadian Tire, Lowes, Rona, Home Hardware, Walmart, Ollies, Loblaws, Metro. The current aspiration is to slowly gain a market in the United States with the high end being 17M in the next 5 years. The company is a large purchaser of grains that are sourced throughout Canada and the United States. Currently the business does not grow any of their own grains.

With other regards to materials used in our process we try and source from local Canadian companies. All suppliers must meet our Supplier Approval agreement and before any business is conducted a formal agreement in which a supplier approval form must be signed, reviewed and documented. An example of what is found on that supplier form is as follows;

As a Supplier of Armstrong Milling Co. Ltd., the undersigned acknowledges and agrees to the following conditions:

1. Products supplied are not manufactured, prepared, packaged, labeled, sold, imported, or advertised in a manner that is false or misleading with regards to quality, value, quantity, composition, safety, origin, or the method of its manufacture. The products supplied must be prepared to meet associated regulations.
2. All product supplied to Armstrong Milling shall meet specifications agreed to by the supplier and Armstrong Milling.
3. The Supplier will provide Armstrong Milling with copies of any Certificates of Conformance if applicable.
4. The Supplier will prepare package, store and transport under sanitary conditions and Good Manufacturing Practices (GMPs) to reduce likelihood of biological, chemical, or physical contamination.
5. All food products are packaged using food grade materials.
6. All products are prepared and packaged under an effective allergen control program to prevent possible cross- contamination.
7. The Supplier agrees to allow Armstrong Milling to select random samples and have them tested at a certified lab to ensure agreed specifications are met.
8. The Supplier will notify Armstrong Milling if any of the information provided changes, including 3rd party certifications, export privileges, product coding, formulations, specifications and/or labeling.
9. All packaging materials supplied to Armstrong Milling are prepared using food grade materials and meets regulatory requirements.
10. The seller further warrants that any product which is delivered by the seller in the seller's truck or vehicle of transport shall not be contaminated with any pesticide, fertilizer,

prohibited material, or other contaminant during the transportation. Any vehicles of transport which have been used to carry any of these materials prior to transporting shall have been thoroughly swept and cleaned.

We have also recently adopted and started to map all suppliers in accordance to the Forced Labour in Supply Chain act. As of recent we have been working with suppliers and ensuring they are able to sign off on the following;

Re: Bill S-211 Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff

Dear Valued Supplier

Thank you for participating in this survey focusing on child or forced labor in supply chains. Your insights will contribute to understanding the current practices and challenges and support our compliance with legislative requirements. Please take a moment to respond to the following questions. Your responses are confidential, and your cooperation is highly appreciated.

1. Do you have a policy or guideline in place to identify forced and child labour risks in your supply chain?

Yes. Please attach a copy.

No

2. Are you aware of any forced or child labour practices in your supply chain at this time?

Yes. Briefly describe the steps taken to address and mitigate these risks: _____

No

3. Is your organization committed to continuous improvement in addressing child or forced labor risks in the supply chain?

Yes. Please explain: _____

No

At this time it is felt that our suppliers do not carry a risk of forced or child labour.

Policies and Due Diligence Processes

Armstrong Milling actively is engaged in being a driver of their sector, in doing so we are regularly audited under the scope of SQF, SFSF, CFIA, and FDA. Recently we have also joined

SEDEX (sustainable business and supply chain solutions) and have went through one audit under the scope of SMETA (Sedex Members Ethical Trade Audit) which is visible under the site name of Armstrong Milling and Business code ZS418622301.

As the process continues we are actively tracking which suppliers, if any are at risk of engaging in forced or child labour. At this time we do not feel our suppliers are contributing to such acts. All suppliers have been made aware if Armstrong Milling feels they are at risk that we will cease to continue business activities with them and will find alternative suppliers that meet the requirements needed.

Additional policies and due diligence have been prepared to assist in this area are:

Children in the Workplace Policy

Intent

Armstrong Milling Co Ltd values family and work/life balance. Armstrong Milling Co Ltd strives to provide our staff with a professional workplace for the transaction of business, and requires that staff ensure that their children are cared for appropriately, outside of the workplace.

Guidelines

1. Armstrong Milling Co Ltd staff members shall not allow their children or any other relatives under the age of majority to be in the workplace during regular business hours, and/or at any time where the staff member is scheduled to work.
2. Staff members may bring their child / children or other relatives under the age of majority onto Armstrong Milling Co Ltd premises for visitation purposes where the employee is not scheduled to work (Breaks and Lunches are included). At no time may children be allowed into areas where safety is a concern.
3. In the event that a staff member brings their child or any other relatives under the age of majority onto Armstrong Milling Co Ltd premises for any period of time, they are required to provide direct supervision to the child / children, and will be responsible for the actions of the child / children.
4. Employees are prohibited from taking responsibility for another employee's child or other minor relative in the workplace.
5. Children are strictly prohibited from being left unattended or unsupervised on Armstrong Milling Co Ltd premises due to issues surrounding health and safety, legal liability and decreased business activity.
6. Exceptions to this Policy may be reviewed where extenuating circumstances exist, and must be met with prior written approval from the Human Resources Office.
7. This Policy is not intended to prohibit children or other minors and family members from being in the workplace during Armstrong Milling Co Ltd-sponsored events.
8. As necessary, supervisors may grant leave at their discretion in emergency or unforeseen circumstances related to child care needs.

Statement of Commitment

Statement of Commitment Memo (*Fighting Against Forced Labour and Child Labour in Supply Chains Act*)

Re: Commitment to Fighting Forced Labour and Child Labour in Our Supply Chain

Armstrong Milling Co Ltd is committed to fighting forced labour and child labour in our supply chains. To meet this commitment, the company continually monitors its structure, activities, and supply chains to assess and reduce risks associated with forced labour and child labour. When an activity is found to have the potential for such risks, measures are taken to remediate the problem and assist with the recovery of loss of income for individuals affected by the elimination of forced labour or child labour.

To further support this commitment, Armstrong Milling Co Ltd has implemented a Children in the Workplace Policy and the Illegal Labour Policy to establish a framework for managing related processes. Employees who may be exposed to instances of forced labour or child labour in supply chains receive Forced Labour Training to inform them about the harm forced labour and child labour can cause, as well as provide the information and guidance necessary to notice or determine whether forced labour or child labour is used at any point in a supply chain.

Armstrong Milling Co Ltd also meets all legislative requirements related to reporting on the parts of our supply chains that carry risks of forced labour and child labour being used, and the steps we have taken to prevent and reduce such risks.

Establishing supply chains free from forced labour and child labour is a shared effort, and we are committed to working with the necessary parties to make it a reality. For more detailed information on associated policies, plans, and training programs, please contact Human Resources.

Illegal Labour Policy

Intent

This document was developed to address Armstrong Milling Co Ltd's policy regarding child labour, forced labour, human trafficking and slavery.

Guidelines

Armstrong Milling Co Ltd is firmly committed to protecting individuals from the exploitations of illegal labour practices such as child labour, forced labour, slavery and human trafficking; such practices will not be tolerated by Armstrong Milling Co Ltd and are strictly prohibited.

Armstrong Milling Co Ltd will hold itself accountable to the highest ethical standards and will comply with and exceed all relevant and applicable local and international laws pertaining to illegal labour practices. In doing so, Armstrong Milling Co Ltd will not knowingly contract with, or carry on a business relationship with any organization or employer that does not adhere to the same standards or is in violation of any relevant or applicable labour laws.

Compliance

Armstrong Milling Co Ltd shall continually monitor its own employment practices as well as those of its partners, vendors, suppliers and all others conducting business on behalf of the organization in order to ensure compliance to ethical employment standards and protocols. In order to ensure compliance to the standards of this policy Armstrong Milling Co Ltd shall conduct periodical audits of its own employment practices as well as those companies the organization contracts with or maintains a business relationship with.

Where a supplier, vendor or contractor is found to be in violation of this policy Armstrong Milling Co Ltd shall take prompt remedial action in order to address the violation, remedial measures may include termination of the business contract with the organization

Human Rights Policy

Intent

Armstrong Milling Co Ltd has adopted this policy to ensure that job applicants receive equal opportunities and protection from discrimination based on the prohibited grounds set out under the Canadian Human Rights Act.

Definitions

Bona fide occupational requirement (BFOR): Job requirements that are adopted for a purpose or goal that is rationally connected to the functions of the position; adopted in good faith, in the belief that they are necessary to fulfil the purpose or goal; and are reasonably necessary to accomplish the purpose or goal.

Conviction for an offence for which a pardon has been granted or in respect of which a record suspension has been ordered: A conviction of an individual for an offence in respect of which a pardon has been granted under Her Majesty's royal prerogative of mercy or under section 748 of the *Criminal Code* or a record suspension has been ordered under the *Criminal Records Act*, that has not been revoked or ceased to have effect.

Disability: Any previous or existing mental or physical disability, including disfigurement or dependence on alcohol or a drug.

Discrimination: Any actions or decisions that result in unequal treatment of an individual or group based on a prohibited ground.

Undue hardship: Occurs when providing an accommodation would cause excessive costs for the organization and outside sources of funding are unavailable or insufficient, or where the accommodation would create a health or safety hazard.

Guidelines

Armstrong Milling Co Ltd is committed to providing equal treatment in employment in accordance with the *Canadian Human Rights Act*, and does not discriminate against job applicants or employees based on the prohibited grounds. The prohibited grounds of discrimination are:

- Race;
- National or ethnic origin;
- Colour;

- Religion;
- Age;
- Sex;
- Sexual orientation;
- Gender identity or expression;
- Marital status;
- Family status;
- Genetic characteristics;
- Disability; and
- Conviction for an offence for which a pardon has been granted or in respect of which a record suspension has been ordered.

The company strives to ensure that discriminatory language and practices are not directly or indirectly present in our employment applications or advertisements, policies, and practices.

Forced Labour and Child Labour Risks

Between ownership, Human Resources and Supply Chain we have acknowledged that the risks are never zero and the process to ensure the company is doing everything it can do is continuous and on-going. We will continue to monitor track and send questionnaires to our suppliers to provide insight on where our suppliers are currently at and what gaps are missing in their processes that need to be address.

Our intent is to continue to develop processes that indicate level of risks and validate that suppliers that could be engaged in forced or child labour are fleshed out and if for any reason the company believes the information being received is not truthful that we will cease doing business with them.

Attached earlier in the report is an example of the preliminary questionnaire that has and will continue to be sent out to not just suppliers but all businesses that we are engaged in.

Remediation Measures and Remediation of Loss of Income

Based on earlier information that has been provided it is felt that Armstrong Milling does not carry the risk of supporting or engaging in forced or child labour. Ongoing monitoring, questioning and investigations will continue to ensure that we remove any such practices from our business.

Further at this time as a result of our current exploration into the supply chain we are involved in that there has been no affect of the loss of income.

Training

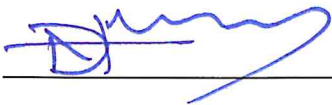
Armstrong Milling has implemented mandatory training for all employees in the policies that have been included in the document above. Please reference those policies for the scope on which all employees have been trained.. This training has been completed for all levels of employees including owners, executives, senior management , These documents have been saved electronically for record keeping and evidence of training.

The training itself has been developed internally with assistance from certified 3rd party HR foundations. Training length was dependant on the size of the class as we broke down the training into departments so that questions and concerns could be addressed. Average training consisted from 30-60minutes. Training was done onsite and in person conducted by a certified HR professional. All employees withing the business have been trained.

Assessing Effectiveness

At this time, Armstrong Milling is developing a way to assess effectiveness. We acknowledge that a questionnaire is not enough and as a company that has made a quality priority to conduct more supplier audits we are planning on incorporating auditing our suppliers outlined in ensuring they are not just meeting our quality goals but also moral standards upon which we conduct our business

Report Compiled By: Dan Murphy **Human Resources Manager**

Signature  _____

Approved by Governing Body: Ryan Zantingh **Supply Chain Manager and Owner**

Signature  _____