



Report on Our Commitment to the Fight Against Modern Slavery

BA Folding Cartons (we, us, our) is committed to respecting human rights and stands against all forms of modern slavery (a term that includes forced labour and child labour). This Report is issued in accordance with Section 11 of Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Act) for the financial year ending December 31, 2023.

1. Our Structure, Business, and Supply Chains

BA Folding Cartons is a Canadian privately-owned organization, headquartered in Toronto, Ontario, and is a leading provider of customized packaging solutions for food and household goods in Canada. Our business activities involve designing, printing, finishing, die cutting, and distributing packaging solutions to our customers. We are committed to providing our customers with impactful packaging solutions in a wide range of industries, in a manner that is environmentally conscious and sustainable.

2. Modern Slavery Risks in our Operations and Supply Chains

We believe that the risk of modern slavery among our personnel is negligible. Our Human Resources team oversees the recruitment process, during which they ensure compliance with our Child Labour Policy. This policy prohibits the recruitment of any employees under the age of 15 and stipulates safeguards to implement when employing employees under the age of 18. Currently, BA Folding Cartons does not employ any employees below the age of 18. Further, our Human Resources team ensures compliance with the standards currently in force in Canada, where most of our personnel come from. BA Folding Cartons also occasionally employs employees that are not Canadian citizens, although they are permitted to work in Canada with a three-year post-graduate work permit granted by the Government of Canada.

The raw materials we use are glue, paper board, printer ink, tape and miscellaneous shipping supplies, which are mostly produced in paper mills within Ontario. We obtain approximately 99% of all of our raw materials from major suppliers that are located within Canada or the United States of America, with the vast majority of our raw materials being produced in paper mills within Ontario. Accordingly, BA Folding Cartons and each of its suppliers operate within jurisdictions that have robust and comprehensive labour laws that prevent against modern slavery risks. The remaining 1% of our raw materials are purchased from suppliers producing raw materials outside of North America.

We consider the overall risk that our business and supply chains have caused or contributed to modern slavery to be negligible, having regard to our workforce and our inputs.

However, there is a low risk that our operations may be indirectly linked to modern slavery as a result of the 1% of our raw materials which we source on an very occasional basis from international suppliers located outside of North America. In those countries, there may not be local law that established or are effectively enforced to protect populations that are vulnerable to modern slavery risks. Further, due to the constraints in the international labour markets, our international suppliers may deploy workforce strategies to recruit foreign or domestic migrant workers using labour recruitment agencies. As a result, workers may potentially be subject to conditions that may contribute to force labour.

3. Actions Taken to Assess and Address Modern Slavery Risks

We have assessed the risk of modern slavery in our supply chains by considering the risks that may be present with our active suppliers. The factors considered to identify exposure to risks of modern slavery include:

- Industry-related risks
- Product-related risks
- Country-related risks
- Complexity of the supplier's supply chain

The reasonable due diligence process conducted did not reveal any known cases of modern-day slavery among our suppliers.

4. Measures Taken to Remediate Modern Slavery, or the Loss of Income in Relation to Modern Slavery

In the last financial year, BA Folding Cartons has not identified any known incidents or significant risks of modern slavery in our activities and supply chains. The issue of remediation is therefore not considered to be applicable. Furthermore, we have also not identified any loss of income to vulnerable families resulting from measures taken to eliminate the use of modern slavery in our activities and supply chains.

We will nevertheless remain vigilant in this regard. If we do identify incidents of modern slavery within our activities or supply chains, we will consider the appropriate remediation strategies in compliance with international standards.

5. Training

BA Folding Cartons does not provide employee training that specifically addresses modern slavery. However, all of BA Folding Cartons' employees are provided with a copy of our policies on Child Labour and Human Trafficking/Forced Labour, and our employees are expected to comply with such policies and to report any conduct they believe to be in violation of them.

Furthermore, employees must adhere to the principles of the BA Folding Cartons' Integrity Management Policy Statement. The Integrity Management Policy Statement sets out standards requiring that our employees behave honestly, lawfully and ethically. It also demands that our employees follow all applicable laws, rules and regulations, and it outlines a reporting mechanism for any suspected improper practices without fear of reprisal.

6. Assessing the Effectiveness of our Actions

BA Folding Cartons regularly reviews our policies and procedures to assess their effectiveness. For the upcoming financial year, BA Folding Cartons is committed to implementing the following assessment methods to track the effectiveness of our policies:

- Setting up a regular review/audit of our policies and procedures relating to modern slavery.
- Setting up a policy and procedure for auditing and monitoring suppliers.

Accordingly, BA Folding Cartons has yet to take any measures to assess the efficiency of their actions.

7. Conclusion

We are committed to preventing and eradicating all forms of modern slavery in BA Folding Cartons' procedures and supply chains. We will continue to regularly review our processes, practices and policies in order to ensure this goal is being met.

Approval and Attestation

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 listed above. Based on my knowledge, and having exercised reasonable diligence, I attest in accordance with subparagraph 11(4)(b)(ii) of the Act 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 BA Folding Cartons.



NAME: Dahra Granovsky
TITLE: Chief Executive Officer
Dated: May 27, 2024