

Brimich Logistics Inc.

Fighting Against Forced Labour and Child Labour in Supply Chains: Our Commitment to Corporate Social Responsibility

Introduction

Brimich Logistics Inc. (“Brimich”) is fully committed to upholding and respecting human rights and maintaining high ethical standards in all of its operations. Furthermore, Brimich commits to incorporating such beliefs into its supply chain practices.

As required by the Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”), certain commercial organizations are required to be transparent about efforts undertaken to identify and eradicate modern slavery and human trafficking from supply chains and operations. This statement constitutes Brimich Logistics Inc.’s values and stance as required by the Act, covering the fiscal year of January 1, 2023, to December 31, 2023.

In 2023, Brimich joined SEDEX (Supplier Ethical Data Exchange), which is an online system where suppliers maintain data on ethical & responsible practices and allows them to share this data with customers.

Brimich adheres to its Code of Conduct, which is based on the core conventions established by SEDEX. This includes strict provisions with regards to forced labour, child labour, human trafficking and other forms of slavery. Brimich does not tolerate modern slavery or human trafficking in any form.

As a part of Brimich’s commitment to social responsibility, the company joined Ecovadis - one of the world’s leading sustainability experts, to help shape its Social Compliance Program and ensure that supply chain operations are functioning in line with Brimich’s internal vision.

Brimich has pledged to integrate the Commitment to Responsible Recruitment framework and is committed to work with its supply chain partners to create conditions so that:

- No workers pay for their job
- Workers receive a timely refund of fees and costs paid to obtain or maintain their job
- Workers retain control of their travel documents and have full freedom of movement
- All workers are informed, in a language they understand, of the basic terms of their employment before leaving their country of origin

Furthermore, Brimich’s Social Compliance Program was accredited through a SMETA 4-pillar audit conducted in November of 2023.

Brimich Logistics Inc. Business and Supply Chain

Brimich owns and operates food-grade, multi-temperature, SQF-Certified warehouses in Ontario, Canada. These facilities are strategically located to efficiently service the quick replenishment needs of Brimich customers. Operating primarily as a 3PL warehouse, Brimich receives, stores, and ships goods for its customer's needs. Brimich provides services for all food supply chain needs, such as supporting manufacturing facilities with raw materials and storing finished goods to then ship into customer networks.

With approximately 500 employees, Brimich operates with a strong commitment to industry-leading labour and environmental practices. This is seen throughout its supply chain in accordance with its comprehensive Environment, Social and Governance ("ESG") program that is embedded in the company's long-term business strategy. Brimich's supply chain is comprised of equipment and supplies used in the warehousing of customer inventory and consists primarily of the supply of parts and service for material handling and refrigeration equipment. The vast majority of these supplies are sourced from reputable domestic suppliers and therefore risk in our supply chain is deemed to be low.

The company's Code of Ethics serves as an affirmation of Brimich's commitment to fair labour practices in the workplace, as well as a framework in guiding the company's operations and business practices throughout the world. It also serves as a guide to help employees make decisions that are consistent with Brimich's core values and principles.

Brimich maintains a Code of Conduct, which among others, addresses core principles in the following areas:

1. Law and Ethics
2. Health and Safety
3. Employment Relationships
 - 3.1. Equal Employment
 - 3.2. Child Labour and Forced Labour
 - 3.3. Working Hours
 - 3.4. Compensation
 - 3.5. Freedom of Association and Collective Bargaining
4. Respect and Dignity
5. Conflict of Interest
6. Confidential Information
7. Environmental Practices

All Brimich employees and business partners are required to adhere to principles set forth in the Code of Conduct. These standards are complemented by specific procedures and practical requirements explained in Brimich's Social and Sustainable Compliance Guidebook. This Guidebook classifies forced labour, child labor, and human trafficking as zero-tolerance issues and must be adhered to in all owned and contracted facilities.

Processes and Steps Taken by Brimich Logistics Inc. to Monitor for Risks and Address Issues

Brimich monitors for human rights-related risks as recommended by both the Ecovadis and SEDEX platforms.

The company identifies and assesses potential risks in its supply chain by conducting a due diligence review of potential business partners prior to entering into, or sourcing major supply agreements. Brimich's due diligence process helps to guide business decisions and ensure compliance with its Code of Conduct and with local, provincial, federal and international laws.

Brimich Logistics Inc. Auditing Processes

Brimich performs (or arranges through a third party), audits of working conditions at owned and contracted logistics facilities. The audits are conducted by trained internal auditors and are also independently audited by SEDEX approved auditors.

Written Requirements and Certifications

To ensure that manufacturing contractors and suppliers respect and adhere to Brimich's commitments, Brimich requires manufacturers and suppliers to provide written certification that forced labour is not present in its supply chain.

Accountability and Remediation

Brimich did not identify any instances of forced or child labour in its supply chains and has therefore not taken any remediation measures. However, Brimich does not tolerate non-compliances of its policies. If such a non-compliance occurs, Brimich will take immediate remedial action to mitigate, address and resolve issues within the shortest possible timeframe. If non-compliance actions are not promptly and satisfactorily remediated, Brimich reserves the right to take further action.

Without remedied action and assurance of non-recurrence, Brimich can and will act on termination of employment and/or contractual relationship and/or notify law enforcement agencies.

Training

Employees receive annual Code of Ethics and Code of Conduct training as part of the onboarding process. Key employees are required to be annually certified that they are in compliance with Brimich's Code of Ethics and Code of Conduct.

Steps Take to Assess Efficacy

Other than our audits discussed above, at this time Brimich has not taken any steps to measure the effectiveness of our measures.

Conclusion

Brimich's ownership, management and staff understand that the risks associated with slavery and human trafficking are not static, and endeavours to mitigate these risks and will continue to be at the forefront of daily operations in years ahead. These efforts, as well as this statement, are reviewed and approved by Brimich's Board of Directors and updated annually.

The company's policies and practices described in this statement are fundamental to Brimich's everyday efforts to ensure that slavery and human trafficking do not take place in its business operations and supply chain.

Approval and Attestation

This statement/report was approved by the Board of Directors of Brimich Logistics Inc. on May 23, 2024.

In my capacity as a Director, and not in my personal capacity, I make this attestation in accordance with the requirements of the Act.

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 Brimich Logistics Inc.

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.



Patrick Fergus
President, Director
Brimich Logistics Inc.
May 23, 2024

"I have the authority to bind Brimich Logistics Inc."