

**REPORT MADE PURSUANT TO CANADA'S
FIGHTING AGAINST FORCED LABOUR
AND CHILD LABOUR IN SUPPLY CHAINS ACT**

I. Legal Entity Name & Relevant Particulars

The company, CHEP Canada Corp. ("**Company**"), business number 100940659 is pleased to submit its report pursuant to section 11 ("**Report**") of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* ("**Act**") for its financial reporting year ended June 30, 2023 ("**Financial Year**"). This Report outlines the steps undertaken to identify and address the risk of forced and child labour at any stage of goods production and distribution within Canada or elsewhere, as well as for goods imported into Canada ("**Modern Slavery**").

The Company recognizes the seriousness of forced and child labour and therefore upholds the highest standards of legal and ethical conduct. The Company places the highest importance on respecting and upholding human rights while conducting our business activities in compliance within every jurisdiction in which we operate. Our key controls include robust policies, training, due diligence, compliance terms and conditions and monitoring to assess and address any risks of Modern Slavery in our own operations and in our supply chains.

The Company's parent company, Brambles Limited ("**Parent Company**" and collectively with its subsidiaries, including the Company, the "**Organization**"), has filed modern slavery reports for several years under the *UK Modern Slavery Act 2015* and the *Australia Modern Slavery Act 2018* which require that businesses disclose information relating to their efforts to address the risks of Modern Slavery in their operations and their supply chains.

II. Structure, Activities and Supply Chains

The Company's headquarters in Canada are located in the City of Mississauga, in the Province of Ontario.

The Company is a wholly owned subsidiary of the Parent Company, which is an entity incorporated in Australia with business number 89 118 896 021. Brambles Limited also owns another Canadian company, Brambles Canada, a holding company, but which is not subject to the Act based on the statutory qualifying criteria.

The Company meets the definition of "entity" under the Act because it meets at least two of the following conditions for at least one of its two most recent financial years: (i) it has at least \$20 million in assets, (ii) it has generated at least \$40 million in revenue, and (iii) it employs an average of at least 250 employees.

The Company is responsible for managing the Organization's Canadian share of the world's largest pool of reusable pallets and containers as well as promoting the share and reuse of these platforms among multiple participants across the supply chain. The Company provides a far more efficient and sustainable alternative to the use of disposable single-use alternatives. The Company primarily serves customers in the consumer goods (e.g., dry food, grocery, and health and personal care), fresh produce, beverage, retail, automotive and general manufacturing industries.

The Company rents, tracks, and maintains equipment, including pallets, crates and containers. The Company's Parent Company owns 18 pine timber farms and a sawmill and pallet manufacturing plant in South Africa. All of our employees are employed in compliance with all applicable labour and employment laws and regulations.

The Organization also engages timber suppliers in 43 countries, mostly in lower risk countries such as Argentina, Netherlands, Australia, New Zealand, Austria, Norway, Belgium, Portugal, Canada, Serbia, Chile, Slovakia, Costa Rica, Slovenia, Czech Republic, South Africa, Estonia, Spain, Finland, Sweden, France, Switzerland, Germany, UK, , Ireland, Uruguay, Italy, USA and Japan. The suppliers in moderate risk countries are located in Bosnia, Chin, Poland and Turkey. The suppliers in the higher risk countries are located in Brazil, Colombia, Latvia, Lithuania, Malaysia, Russia, Swaziland, Thailand, Ukraine and Zimbabwe.

III. *Policies and Due Diligence Processes*

The Company operates within the Organization's robust policy framework, beginning with the Code of Conduct which sets out our commitment to responsible business practices and good governance, demonstrating that we are committed to doing what is right each day, and is supported by and references a range of Group policies, including our Human Rights Policy, our Zero Harm Charter, our Speak Up Policy and our Supplier Policy.

The Code of Conduct applies across the Organization, and requires our employees to comply with all applicable legal requirements, including all prohibitions against forced, bonded or compulsory labour, human trafficking or other kinds of slavery. The Code of Conduct enshrines the Organization's commitment to requiring suppliers to develop more efficient, safer and sustainable supply chains through compliance with the principles and values outlined in the Code of Conduct. To that end, since 2013, the Company has applied a Supplier Policy, which requires its suppliers to:

- Conduct their businesses in accordance with the laws and regulations of the countries in which they are located;
- Show respect for the diverse range of people and cultures with whom the organization works and their human rights;
- Abide by the same minimum working age requirements outlined in the human rights statement in the Code of Conduct; and
- Follow the principles in the organization's Zero Harm Charter.

The Company's Human Rights Policy, which is incorporated in the Code of Conduct, is reviewed annually and was last updated in July 2023. This Policy is guided by international human rights principles encompassed in the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights.

The Company has also adopted a Zero Harm Charter which sets out our commitment to achieving zero injuries, zero environmental damage and zero detrimental impact on human rights. The principles set out in the Zero Harm Charter include a requirement that all employees must care for the human rights of those affected by our operations.

IV. Forced Labour and Child Labour Risks

The Company, as part of the Organization's umbrella compliance framework, has adopted policies and procedures which incorporate effective risk management as a part of its strategic planning process. This includes requiring business operating plans to address the management of key risks and embedding a strong risk management culture. Within this framework, the Company is part of a risk and control committee (RCC). The RCC conducts in-depth reviews, on a regular basis, of the risk profile of the relevant business unit, including exposure to material environmental or social risks and identifies and assesses the effectiveness of current risk mitigation strategies.

The Organization also has a Human Rights Working Group (HRWG), which is comprised of members from its Human Resources, Procurement, Legal and Compliance, and Sustainability functions, to assess its potential to cause, contribute to or be directly linked to Modern Slavery through its operations or its supply chains. The HRWG monitors the risks of Modern Slavery through human rights assessments and its due diligence programme.

The human rights due diligence program considers our business activities and potential risks to individuals consistent with the UN Guiding Principles for Business and Human Rights. We consider risks in our operations (including our service centres) and our suppliers who support our operations where we could cause or contribute to negative human rights impacts. We also consider risks associated with our suppliers (operating at timber farms, in their own repair facilities, or at their own sawmills or manufacturing facilities, for example) where we may be linked through business relationships.

The risk of forced and child labour in our own operations is low as the vast majority of our personnel are employed directly by the Company or a related entity. This low risk is further attenuated due to:

- Our Code of Conduct and related policies set out our values and principles, emphasising Zero Harm and no tolerance for discrimination, harassment, bullying, retaliation or retribution, bribery, corruption or serious worker misconduct;
- All personnel receive regular training, beginning with induction training, on the values and principles set out in the Code of Conduct that are required to be followed by every employee every day;
- Our personnel have the right to engage in collective negotiations with or without the involvement of third parties, such as unions;
- Our Speak Up Hotline offers our personnel a confidential and secure way to report concerns of wrongdoing, in addition to the other means of speaking up that are promoted throughout the Organization; and
- We conduct regular assessments and internal audits of our processes and systems and, where issues are identified, take prompt action to remedy them. Amongst these assessments, we periodically review all employee addresses and bank account details to see whether more than one employee resides at the same address or utilises the same bank account. Where duplicate addresses or

bank accounts are identified, we ensure that there is a valid reason for them. We encourage our suppliers to do the same.

Nevertheless, some of our operations utilise contract or third-party labour in certain positions, our labour and support positions. As some of these contract or third-party labourers are immigrants, temporary migrant workers, or other vulnerable populations who may be less aware of their rights and possibly more susceptible to exploitation, we focus our Modern Slavery risk assessment on these arrangements. The assessment examines the inherent risks, considering type of work, geography and recruitment.

As a result of this assessment, we believe our highest Modern Slavery risk in our operations is in our service centre operations, where more vulnerable workers are engaged through staffing companies or third-party labour providers. In response, and in addition to controls already in place, we have taken further action to mitigate this risk.

The Organization has updated its Third-Party Due Diligence Programme so that any third party providing such services to our operations undergoes an enhanced form of due diligence, executes compliance terms and conditions, which include Modern Slavery provisions, and confirms it has appropriate policies or procedures in place to ensure that:

- Workers are not indebted or coerced to work or required to pay to work;
- Workers are free to move and are not forced to leave identity papers with the staffing company;
- Younger workers are not permitted to work in potentially hazardous conditions; and
- Workers have the right to enter or terminate their employment freely and without fear of retaliation.

Also, once a worker, including workers supplied by temporary labour or staffing companies, commences work at one of our service centres, our procedure requires that they receive training, including safety, human rights and Speak Up training, and have or are provided personal protective equipment at no charge.

Before the Organization retains any new supplier, it carries out risk-based due diligence under which new suppliers are assessed for human rights risk, amongst other risks. Suppliers that meet certain risk factors such as geographic or industry risk must undergo additional due diligence. This additional due diligence examines the supplier's human rights policies and procedures and searches the internet and other media sources for any negative reports, including those relating to Modern Slavery. Due diligence is repeated periodically in accordance with the supplier's risk profile.

High risk suppliers are asked to sign the Organization's compliance terms and conditions and certify compliance with our prohibition of child labour, forced, bonded or compulsory labour, human trafficking or other kinds of slavery. The certification is via a Supplier Acknowledgment Form which, amongst other things, asks suppliers to acknowledge that they prohibit forced and child labour in their workforce and in those of their company's suppliers. It also asks them to acknowledge that they have reviewed and understood our Supplier Policy and Zero Harm Charter and that they will abide by the principles set out in both documents (as well as applicable laws and regulations) and require that their employees and suppliers do the same.

With respect to timber providers and third-party service centre operators, each must undergo enhanced due diligence consistent with our Third-Party Due Diligence Standard Operating

Procedures. This enhanced due diligence examines the suppliers' existing policies and procedures and asks that they sign compliance terms and conditions, which incorporate Modern Slavery-specific provisions, and requires that potentially high-risk suppliers in the highest risk countries undergo an inspection or an audit carried out by an independent third party within the first six months of any engagement.

This enhanced due diligence is supplemented by additional mitigating actions, including:

- Bespoke enhanced due diligence using a questionnaire to identify Modern Slavery issues when contemplating onboarding of any new timber supplier. Where any assessment, intelligence or due diligence highlights a higher risk (such as potentially engaging a new supplier from one of our highest risk countries, like Brazil, China or Thailand), or where we are entering a new market, the Organization uses local experts and specialists to tailor this review;
- Site visits at our higher risk timber suppliers. These visits give us the opportunity to see the timber suppliers' practices in real-time, address any issues while on site, and deliver training on our Supplier Policy;
- Updated agreements to require that higher risk timber suppliers undergo periodic onsite audits independent of national forest certification systems audits; and
- Collaborative approaches through supplier academies, where timber suppliers are reminded of the risk of Modern Slavery and our commitment to its eradication.

The Organization also carries out enhanced due diligence on third party service centre operators. As part of this enhanced due diligence, special emphasis is placed on the treatment of foreign workers at service centres managed and operated by third party suppliers.

To evaluate the risks related to Modern Slavery at service centres managed by third party suppliers, we analyse indicators such as location and the use of third-party agents to recruit or manage workers. If heightened risks are identified, the third-party service centre operators are asked to make specific representations acknowledging conformance with Organization standards related to the protection of vulnerable populations.

In addition to this enhanced due diligence, the Organization implemented additional actions to mitigate against the risk of Modern Slavery in our third-party service centre environment through focused assessments. Our Organization also ensures periodic visits and inspections of suppliers and potential suppliers, particularly timber and third-party plant operators, during which we assess compliance with the requirements outlined above.

Remediation Measures

The Company has not identified any instances of forced or child labour in its activities and supply chains. Therefore, we have not undertaken any remediation measures.

However, in the event of any finding of non-conformity, suppliers would be required to immediately stop any practice contributing to a Modern Slavery finding and must produce, implement and complete corrective action plans to resolve the issue. The Organization will work with the supplier to improve its capabilities and to encourage the completion of the corrective action plans in a timely fashion. It will also verify that any findings are adequately resolved by

ensuring they are re-examined during a follow up visit or review by an independent third party or certified auditor. The relationship with any offending supplier may also be terminated in more severe cases.

Remediation of Loss of Income

The Company has not identified any loss of income to the most vulnerable families resulting from any measure taken to eliminate the use of child or forced labour. Therefore, we have not undertaken steps to remediate any loss of income.

Training

The foregoing policies and procedures are reinforced through induction Code of Conduct training upon hiring of employees and refresher Code of Conduct training, which occurs every two years and most recently in our financial year ending June 30, 2022.

The Organization has a mandatory 'Know the Code' training module which is designed to help our employees understand the underlying principles set out in the Code of Conduct. This module includes a chapter devoted to human rights, offering specific guidance on how to identify and report suspicions of child labour and forced, bonded or compulsory labour, human trafficking or other kinds of slavery. This mandatory 'Know the Code' training module is assigned to all employees during their induction and during bi-annual refresher trainings. The next Code of Conduct training is scheduled to take place in March 2024.

Our supply chain operations and procurement employees must also complete periodic training, covering myriad topics on human rights and responsible sourcing.

Assessing Effectiveness

The Company, as part of the Organization's overall risk management program, deploys an internal audit function. This function operates independently from the lines of business, carries out audits, including audits on the Organization's human rights program.

In this Financial Year, for example, Internal Audit carried out an audit of the management of human rights risks within service centre operations in the USA. Although there were no findings of Modern Slavery, recommendations were made to revise the Human Rights Policy and to document the control environment. In response to these findings, the Organization updated its Human Rights Policy and rolled out a Standard Operating Procedure to Mitigate the Risk of Modern Slavery in Third-Party Plant Operations in the USA.

Our Organization also monitors the effectiveness of its efforts to combat Modern Slavery through multiple mechanisms, including the Parent Company's Board, RCC oversight, Key Performance Indicators (KPIs) and the review and assessment of questionnaires, inspections and audits.

The Company is committed and vigilant when it comes to identifying, assessing and addressing Modern Slavery risks in its operations and our supply chains. To that end, we will review and update, as necessary, our relevant policies, continue identifying and carrying out enhanced due diligence on our high-risk suppliers, strengthen our assessment program and raise awareness around Modern Slavery through targeted training.


Signed Attestation

This report was approved by the Board of Directors of the Company on May 31, 2024.

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.

DATED as of May 31, 2024.

I have the authority to bind the Company

by 
Name: FRANK BUZZO
Title: VP, CRM