



## Canada's Fighting against Forced Labour and Child Labour in Supply Chain Report

- Reporting entity's legal name: Canada Pallet Corp.
- Financial reporting year: October 1, 2022 to September 30, 2023
- Business number: 1331220725 RT0001
- Canada Pallet Corp. has a place of business and assets in Canada. Has at least \$20 million in assets for at least one of its two most recent financial years
- Sector/industry: Manufacturing
- Location: Cobourg, ON Canada

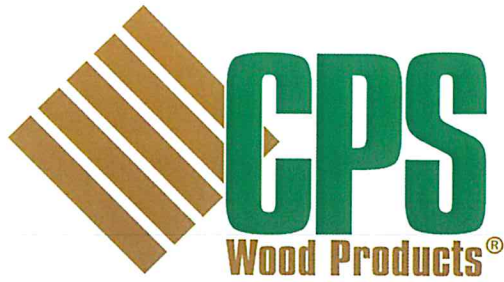
### **Requirement (a) – structure, activities and supply chains**

Canada Pallet Corp. is a manufacturing facility. We employ approximately 140 employees. We recruit internally. We produce, manufacture and distribute wooden pallets and crates to both Canada and outside Canada. Our products are used for the packaging of customer's products. We have a supply chain where we bring in raw materials and convert them to a quality product for our customers. We also source replacement items, wear items, and machine items as required.

The parts of our business and supply chains that carry a risk of forced labour or child labour being used is within our recruitment as well as from our suppliers that we purchase from.

The steps that we have taken to assess and manage that risk are as follows:

- Develop, implement and train on the below policy and remediation
- Visually Confirm the Valid Age of all new hires
- Develop, maintain a Supplier Modern Slavery Questionnaire
- All new suppliers will be required to complete the Supplier Modern Slavery Questionnaire
- Yearly random selection of current suppliers to complete the Supplier Modern Slavery Questionnaire



## **Requirement (b) – Policies and due diligence processes and (d) Remediation**

### **Child Labour and Remediation Policy**

#### **Purpose**

This policy outlines CPS Wood Products' expectation that child labour is not used in the production of our products. In compliance with Bill S-211 Forced Labour in Canadian Supply Chains relating to child labour, this Policy relates to permanent, temporary, informal, and contract labour, whether directly or indirectly employed by CPS Wood Products, as well as children who have been trafficked or sold into work. Local law enforcement authorities should be promptly advised of any instances of alleged and confirmed child labour.

This document provides guidance for any instance of child labour found within CPS Wood Products or its supply chain and includes a remediation process that can be followed by managers to ensure that child safety rights are upheld and that the best interests of children are always served.

#### **Scope**

This Policy applies to all applicants, employees, contractors, interns, suppliers, customers, and visitors of all CPS Wood Products. The application of this Policy will take into consideration the local and national laws and will identify situations considered hazardous for all persons under 18 years of age.

#### **Definitions:**

**Child:** Anyone under the age of 15 or who is otherwise not legally eligible to work

**Child Labour:** Work performed by a Child or Young Worker that deprives them of their childhood, their potential, and their dignity, and that is harmful to their social, physical, and mental development. This refers to work that is mentally, physically, socially, or morally dangerous and harmful to children, and that interferes with their schooling, i.e., depriving them of the opportunity to attend school; obliging them to leave school prematurely; or requiring them to attempt to combine school attendance with excessively long and hazardous work.

**Hazardous Work:** Any work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety, or morals of children. This includes working with chemicals, moving machinery, and sharp objects; working in confined spaces, at great heights or in excessively hot or cold conditions; being exposed to dust, fumes, or loud noise; lifting or carrying heavy loads; working overtime; or working at night.

**Young Worker:** A young worker who is legally entitled to work, i.e., at least 15 years of age but not less than 18 years of age.





### **Policy**

CPS Wood Products' is committed to protecting the rights of young workers and remedying any instances of child labour. The Company does not hire individuals under the age of 15 and prohibits the hiring of individuals under the age of 18 for positions that would expose them to hazardous work or materials, including production of CPS Wood Products. CPS Wood Products will not engage in or condone the unlawful employment or exploitation of children in the workplace or the use of forced labour in our own operation or supply chain. No child is to be employed or engaged in the production of our products or the supply of materials or services to us.

CPS Wood Products facility and suppliers adhere to this Policy and effective procedures for age verification in place as part of the recruitment process and must visually confirm valid age verification records for all employees. CPS Wood Products' supplier onboarding procedure has been amended to include the completion of a Supplier Modern Slavery and Child Labour Questionnaire. CPS Wood Products will regularly review and audit its own recruitment and supplier approval procedures to ensure its compliance with this Policy.

Likewise, CPS Wood Products facility and suppliers should also make themselves aware of the child labour laws in countries in which we operate and take appropriate action to ensure their company premises are not used for any form of child exploitation.

### **Remediation in the Event Child Labour is Identified**

All incidents of Child Labour at a CPS Wood Products facility should be reported to the HR Manager and/or owner. In the event Child Labour is suspected or identified, the following actions must be taken immediately, as applicable:

- Remove any Child from the workplace and take steps to verify his or her age against official documentary evidence.
- Remove the Young Worker from the task where Hazardous Work is present and transfer him or her to an alternative role without any reduction in pay or benefits.

An investigation shall be immediately launched into any reported incidents of Child Labour at CPS Wood Products' or within our supply chain. Each incident of Child Labour should be treated on a case-by-case basis to ensure the best interests of the child are paramount and the response should be tailored to each child's needs. Each investigation into suspected or confirmed Child Labour shall document the names, ages, and contact details of the Child or Young Worker at issue.

If Child Labour is confirmed, a case management plan shall be created that includes the following:

- The identities of the child-focused organizations and authorities to which confirmed incidents of Child Labour were reported, including the date, time, method of reporting, and the name and title of the person to whom the incident was reported;



- The identities of any child-focused organization or authority to be included in or consulted regarding a case management plan'
- Copies of communications to the CPS Wood Products' manager or supplier explaining the incident and any legal implications of the same; and
- A proposed resolution of the issue that is in the best interest of the Child or Young Worker and that ensures no breach of his or her human rights.

CPS Wood Products reserves the right to discontinue the business relationship with any supplier that deliberately breaches this Policy or fails to demonstrate action towards an agreed remediation program. CPS Wood Products will regularly review and audit its own recruitment procedures to ensure its compliance with this Policy, and the reserves the right to audit the recruitment procedures of its suppliers to ensure their compliance with the same.

CPS Wood Products reserves the right to discontinue the business relationship with any supplier that deliberately breaches this Policy or fails to demonstrate action towards an agreed upon remediation program. CPS Wood Products, at its sole discretion, reserves the right to amend or modify this Policy at any time and for any reason.

See attached Appendix A – Supplier Modern Slavery Questionnaire as per requirement (b) Policies and Due Diligence processes

#### **Requirement (c) – Forced labour and Child labour risks**

Canada Pallet Corp. identifies risks involved in recruitment of internal staff in addition to the recruitment of suppliers staff including all suppliers who supply us with products manufactured outside of North America that could potentially cause, contribute to or be directly or indirectly linked to actual or potential risk that forced labour or child labour.

#### **Requirement (e) – Remediation of loss of income**

Canada Pallet Corp. has not taken any measures to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains.

#### **Requirement (f) – Training**

Canada Pallet Corp. requires all Human Resource department staff as well as purchasing agents to be trained on forced labour and child labour in the form of reading and understanding the policy and





procedures. The training was developed internally. Currently there are 4 employees who are in the process of receiving training.

**Requirement (g) – Assessing effectiveness**

Canada Pallet Corp. assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains by randomly auditing suppliers as well as upon receiving the completed surveys they are reviewed and accepted or notes are documented for follow up action.

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 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.”

Dan Dunkely, Chief Operating Officer

Dated: May 31, 2024

Signature:  \_\_\_\_\_

By Signing above I attest I have the authority to bind Canada Pallet Corp.

# Appendix A

## Supplier Modern Slavery Questionnaire



## Supplier Modern Slavery Questionnaire

Dear Valued Supplier,

*CPS Wood Products'* is committed to maintaining strong ethical business standards across its operations, and as such, does not tolerate any form of illegal or unethical employment practices including modern slavery and human trafficking at our facilities.

We expect the same commitment from our suppliers and agencies as illegal employment practices are contradictory to *CPS Wood Products'* Vision and Values.

*In response to new Canadian reporting obligations CPS Wood Products'* is taking steps to ensure that those involved in our supply chain and agencies with whom *we do* business are not involved in any form of illegal, improper or unethical employment or recruitment practices, including but not limited to modern slavery or human trafficking.

To assist *CPS Wood Products'* in addressing these laws, each agency and supplier in *CPS Wood Products'* supply chain must respond to the following questions.

Please complete the following questionnaire and return it to the designated contact.

Thank you in advance for your cooperation and continued commitment to maintaining ethical business standards..

Thank You

*Susan Knox*   
Purchasing Agent

O: (905) 373-0761 ext. 2246

E: [susan.knox@cpswoodproducts.com](mailto:susan.knox@cpswoodproducts.com)

Wood, the NATURAL and RENEWABLE choice



**Supplier Modern Slavery Questionnaire**

**CPS WOOD PRODUCTS' DESIGNATED CONTACT**

Contact Name	Susan Knox
Contact Title	Purchasing Agent
Contact Email	susan.knox@cpswoodproducts.com
Contact Phone#	905-373-0761 x 2246

**SUPPLIER DETAILS**

Company Name	
Company Address	
Contact Name	
Contact Title	
Contact Email	
Contact Phone	
Date Completed	
Signature	

I/We certify that all materials incorporated into products supplied to *CPS Wood Products'*, comply with federal and international laws regarding modern slavery and human trafficking of the country(ies) in which *CPS Wood Products'* and the supplier are doing business.

YES  NO

I/We certify that we do not use or condone any illegal or unethical employment practices.

YES  NO





## Supplier Modern Slavery Questionnaire

1. Is your company required to report or comply with either the Canadian act or a law from another country law addressing forced/child labour?

YES  NO

\* If yes, please share the countries and applicable laws your company is complying with. (Please also share any relevant disclosure/report under these laws.)

2. Where are your business operations located? (list all countries that apply)

3. Where do you source the goods / products that you supply to CPS Wood Products'? (list all countries that apply)

4. Do you currently have a policy or program to ensure that modern slavery and human trafficking do not exist in your operations and supply chain? Have your management employees, particularly those in charge of supply chain management, been trained to understand what slavery and human trafficking are and how to mitigate risk of them in their respective supply chains?

YES  NO  Please explain:

5. Do you have company standards on non-discrimination and violence and harassment in place?

YES  NO

6. Do you have a policy about the minimum age of employees? Are all workers over the minimum working age in the jurisdiction in which they are working?

YES  NO



**Supplier Modern Slavery Questionnaire**

7. Are all employees paid at least the minimum wage established by the jurisdiction they are working in?

YES  NO

8. Do you have a documented overtime pay program that is communicated to all employees?

YES  NO  Please explain:

9. Do you employ Temporary Foreign Workers?

YES  NO

a. If yes, do you have a policy on ethical recruitment practices for TFWs to ensure no worker pays illegal or improper fees or is coerced into a contract of employment?

YES  NO

b. If yes, do you have a policy or procedure to govern the collection and retention or personal identification documents that is compliant with regulations?

YES  NO

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Date Processed	
Comments	
Follow-Up Required	
Processed By	
Signature	