

REPORT FOR FINANCIAL YEAR ENDING DECEMBER 31, 2023

CROWN CORRUGATED COMPANY

**FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT,
S.C. 2003, C. 9**

Reporting entity's legal name: Crown Corrugated Company
Financial reporting year: January 1 st 2023 to December 31 st , 2023
Business number: 882353816
Entity categorization according to the Act: Business Entity
Sector/industry: Manufacturing
Location: Richmond, BC. Canada

Introduction

Crown Corrugated Company ("**Crown Corrugated**") is the premiere corrugated packaging company in Western Canada. It does business through two operating names: Crown Packaging and Box Master. Crown Corrugated forms part of the Crown Paper Group which includes their US sister company Port Townsend Paper Corporation.

Crown Corrugated is committed to sustainability, including the need to responsibly balance social, environmental, and economic interests. The company is certified under the FSC® – Chain of Custody and Controlled Wood Standards and have received a Superior Rating in a third-party audit of Crown Corrugated's Good Manufacturing Practices ("**GMP**").

Crown Corrugated supports and respects human rights in the workplace. In addition to abiding by the robust labour and employment laws, human rights legislation, and occupational health and safety requirements, Crown Corrugated is a unionized employer with approximately 400 employees of which 186 are subject to a collective agreement with Unifor Local 433.

Structure, Activities and Supply Chains

Crown Corrugated is incorporated in Nova Scotia and is extra-provincially registered in British Columbia. The company has a state-of-the-art manufacturing facility in Richmond, British Columbia, and have distribution and sales offices in Delta, Kelowna, Calgary and Edmonton.

Crown Corrugated provides packaging products and services throughout Western Canada to over 900 customers. These services include creative design and the manufacture of products in a variety of sectors including industrial products. On the industrial side, in addition to packaging products Crown Corrugated also provides drywall supplies such as drywall tape.

The industries for which Crown Corrugated provides products include:

- Bakeries;
- Berries and Tree Fruits;
- Beverages;
- Dairy and Cheese;
- Field Crops;

- Fish and Seafood;
- Floral and Nursery;
- Food services;
- Hot house (i.e. greenhouses).
- Meat and Poultry;
- Mushrooms;
- Pizza;
- Singleface products; and
- Custom POP displays and boxes.

All of Crown Corrugated's suppliers are located in Canada or the United States.

Policies and due diligence processes in relation to forced labour and child labour

Crown Corrugated has received responsible business practice certifications and has successfully passed numerous supplier audits which have confirmed that the company has responsible and low-risk labour practices and supply chains.

In the past financial year, the company implemented the ETI Base Code into their policies and procedures. The ETI Base Code is an internationally recognized set of labour standards based on International Labour Organization (ILO) conventions. The ETI Base Code includes a commitment to the following:

- Employment is freely chosen;
- Freedom of association and the right to collective bargaining are respected;
- Working conditions are safe and hygienic;
- Child Labour shall not be used;
- Living wages are paid;
- Working hours are not excessive;
- No discrimination in employment;
- Regular employment is provided;
- No harsh or inhuman treatment.

Crown Packaging has passed a Good Manufacturing Practices (GMP) by the third-party provider SAI Certification LLP.

In July 2010 Crown Corrugated was certified under the FSC® – Chain of Custody and Controlled Wood Standards. The company was recertified in September 2022 and this certification is valid until September 23, 2027. The certification body conducts annual surveillance audits to verify continued compliance with the FSC certification requirements.

Part of this certification includes protection of workers, and the certificate holder must demonstrate conformance to the FSC Core Labour Requirements, which cover the abolition of child labor, elimination of all forms of forced or compulsory labour, elimination of discrimination with respect to employment and occupation, upholding freedom of association, and the effective recognition of the right to collective bargaining.

In addition, Crown Corrugated has passed a number of supply chain audits from their supply chain partners, including by external audit companies such as EcoVadis and Sedex/SMETA, which audit supply chains including extensive evaluations of labour standards and ethics.

In April 2024 Crown Corrugated implemented a policy on Bill S-211, which includes commitments regarding:

- The prohibition of forced and child labour;
- Due diligence and risk assessment;
- Supplier Compliance;
- Supply Chain Transparency;
- Training and awareness;
- Reporting Mechanisms;
- Compliance and Accountability; and
- Continuous Improvement.

In May, 2024, Crown Corrugated implemented a supplier questionnaire regarding their suppliers' practices, and steps the company has taken to reduce the risk that forced labour or child labour is used at any step of the production of their goods in Canada or elsewhere. The company has recently provided this questionnaire to suppliers and have begun the process of gathering and assembling the data received.

Both Canada and the United States have robust labour and human rights laws which reduce the risk of forced or child labour in both Crown Corrugated's own operations and those of their suppliers. Crown Packaging does not hire any foreign workers, and their youngest employees are 16-year old students who are hired on a seasonal basis to help with inventory management.

As discussed above, a large percentage of Crown Corrugated's employees are subject to a collective agreement which provides labour and employment protections, and grievance mechanisms for employees to bring forward concerns. Crown Corrugated's non-unionized employees have protections under British Columbia and Alberta's employment standards, human rights and occupational health and safety legislation.

In addition to the grievance mechanisms in place for unionized employees, employees can report concerns about forced or child labour or other human rights concerns to their supervisor, managers, HR department, or designated compliance officer. Crown Corrugated is committed to investigating reports promptly and thoroughly.

The parts of its activities and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk

Since Crown Corrugated's suppliers are all located in Canada or the United States, both of which have robust labour and human rights laws, the risk of forced or child labour in their supply chain is low. The company has also begun the process of evaluating suppliers' risk based on their supplier questionnaire.

Crown Corrugated has not received any reports from employees regarding the use of forced or child labour.

Due to the above, Crown Corrugated has not identified any forced labour or child labour risks in their supply chain to-date.

Measures taken to remediate any forced labour or child labour

Crown Corrugated has not identified any forced labour or child labour in their own operations or supply chains and has therefore not needed to take any measures to remediate any forced or child labour.

Measures taken 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

Crown Corrugated has not identified any forced labour or child labour in their own operations or supply chains and has therefore not needed to take any measures to remediate loss of income to the vulnerable families due to measures taken to eliminate the use of force labour or child labour in its activities and supply chains.

Training provided to employees on forced labour and child labour

Crown Corrugated has provided informal awareness training about forced and child labour to its managers. So far only the front-line managers have received the trainings. The company aims to achieve the training for 100% of managers across all departments before the end of this year. The trainings are usually 30 minutes long. The trainings entail awareness about forced labour and child labour, what it may look like, risk assessments, internal audits, reporting mechanism, supplier audits, how to mitigate risk, supplier regulations, and ethical sourcing. Crown Corrugated’s managers will proceed to have informal training sessions with their supervisors regarding the same. There are posters put on bulletin boards to create awareness amongst employees and to communicate reporting mechanisms.

How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains.

As this is the first year the Bill has been in place, Crown Corrugated has not fully audited its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains. However, as noted above, there are mechanisms in place for employees to bring forward concerns and there have been no reports of concerns to-date.

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.

Full name: William P. Lindsay

Title: CEO & Member Board of Directors

“I have the authority to bind Crown Corrugated Company”.

Signature 
Will Lindsay (May 28, 2024 19:58 PDT)

Date: 05/28/2024