

Fighting Against Forced Labour and Child Labour in Supply Chains Report

Published: May 31, 2024

Introduction

This report (the “Report”) is prepared in pursuant to Section 11 of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*. The Report outlines the approach and initiatives by Ellis Packaging Ltd. (“Max Solutions Ellis”) and Bellwyck Packaging Inc. (“Bellwyck”), both doing business in Canada as MAX Solutions Canada (PKG) (collectively “MAX Solutions Canada”, “we”, “our”, “us”) to identify and address the risks forced labour and child labour in our business operations and supply chains during the financial year commencing January 2023 and ending December 2023.

This Report has been prepared as a joint report and applies to our subsidiaries in Canada.

Our Structure & Business

MAX Solutions Canada is a folding carton manufacturer with of 514 employees. Max Solutions Ellis and Bellwyck are sister companies that are subsidiaries of a US entity. Our production focuses on premium and healthcare packaging and spans multiple manufacturing sites across Ontario. Our primary market is North America, where we predominantly distribute our products.

Bellwyck became part of MAX Solutions Canada in January 2024.

Our Supply Chains

Majority of our goods and services for operation are sourced from large corporations in Canada and the United States. Our supply chains consist of the procurement of raw materials, packaging resources, machinery, maintenance parts, and various printing consumables like inks, films, adhesives, solvents, and paperboard.

The main types of goods for Max Solutions Ellis sites based on top spend are paperboard, specialty board, ink, coating, and label stock. Such goods are sourced from Canada and the United States. Majority of purchased goods for Max Solutions Ellis sites include suppliers with long-term relationships. Spot purchases and transactional-based relationships are also made with local Canadian suppliers. Purchases are governed by both negotiated supply contracts and PO's with standard T&Cs. The SVP of Supply Chain is responsible for overseeing the supply chain for all Max Solutions entities, while the Director of Supply Chains – Canada, oversees operations for Max Solutions Ellis sites. In addition, each production site has Purchasing Managers or Specialists who issue purchase orders to approved suppliers based on price, quality, service expectations in accordance with our Supplier Code of Conduct.

The main types of goods Bellwyck, sources based on top spend are paperboard and printing consumables. Paperboard is sourced from mills located in Canada, the United States and Sweden, in addition to paperboard converters located in Canada. Printing consumables are sourced from both Canada and the United States. Bellwyck's intention was to find suppliers with long-term relationships in mind, which were overseen by the CFO and the Purchasing Manager.

Our Policies and Due Diligence Processes

MAX Solutions Canada is committed to upholding the principles of equality, fairness, and respect for all individuals. We are dedicated to promoting and protecting human rights within our organization and in the communities where we operate, that follows all applicable employment, and human rights legislation. Our entities are committed to protecting individuals from the exploitations of illegal labour practices such as child labour, forced labour, slavery, and human trafficking. Such practices will not be tolerated and are strictly prohibited. We hold ourselves accountable to the highest ethical standards and will comply with and exceed all relevant and applicable local and international laws pertaining to illegal labour practices. In doing so, we do not knowingly contract with, or carry on a business relationship with any organization or employer that does not adhere to the same standards or is in violation of any relevant or applicable labour laws. Should a violation be reported, we have the power to terminate our relationship with the supplier.

Risks of Forced Labour and Child Labour in our Business and Supply Chains and Remediation Measures

MAX Solutions Canada has not identified any risks of forced or child labour risks related to our activities and supply chains and has also not identified any instances of forced or child labour. We have also not identified any loss of income to vulnerable families resulting from measures taken to eliminate the used of forced labour or child labour in our supply chains. As such we have not taken any remediation measures.

We plan to conduct analysis on the risks associated with forced and child labor within our supply chains.

Employee Training

MAX Solutions Canada did not have training on forced and child labour available to all employees in 2023, other than the policies in place that employees are required to review. Tracking employees who have read the policies will be actioned in our plans for 2024.

Measuring our Effectiveness

Both entities have policies in place against forced labour and child labour.

Max Solutions Ellis sites have their Supplier Code of Conduct in place that state suppliers must not engage in child labour, slavery, or human trafficking in their supply chain.

In 2023, Bellwyck identified their top 25 suppliers based on spend and conducted a Supply Chain CSR risk assessment to evaluate and monitor sustainability risks associated with working with suppliers. Three main types of risks are distinguished: CSR Risks associated with the industry, the geographical location, and the individual engagement of our suppliers. Among the top 25 suppliers, we kindly asked for their completion of a CSR & Quality Questionnaire and their agreement to adhere to their Supplier Code of Conduct. Like Max Solutions Ellis site, the Supplier Code of Conduct states suppliers must not engage in child labour, slavery, or human tracking in their supply chain.

Future Actions

In 2024, we aim to take additional steps to strengthen our efforts in combating forced and child labor within our business and supply chains:

- conduct a more thorough supplier risk assessment to identify possible exposure to forced and child labour risks in our supply chains.
- actively engage with our primary vendors to gain insight into their efforts in combating these issues.
- review our policies and procedures relating to addressing and reporting forced labour and child labour.
- forced and child labour training for all employees.

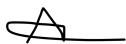
Statement of Approval

The Report was approved pursuant to subparagraph 11(4)(b)(i) of the Act by the Board of Directors of Ellis Packaging Ltd. and Bellwyck Packaging Inc.

In my capacity as a Director of Ellis Packaging Ltd. and Bellwyck Packaging Inc, 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 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.

Lenny Colangelo, CFO



Ellis Packaging Ltd. and Bellwyck Packaging Inc.

May 31st, 2024

I have the authority to bind Ellis Packaging Ltd. and Bellwyck Packaging Inc.