

REPORT

ON FORCED AND CHILD LABOUR

PREPARED BY:
GERRITY CORRUGATED PAPER PRODUCTS LTD.

PREPARED PURSUANT TO MEASURES INTRODUCED THROUGH FORMER BILL S-211, *AN ACT TO ENACT THE FIGHTING AGAINST FORCED LABOUR AND CHILD LABOUR IN SUPPLY CHAINS ACT AND TO AMEND THE CUSTOMS TARIFF (THE ACT)*.

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PART A ~ ENTITY IDENTIFYING INFORMATION

- 1) Reporting Entity's legal name: Gerrity Corrugated Paper Products Ltd. ("Gerrity")
- 2) Reporting Entity's Financial reporting year: 2023
- 3) Reporting Entity's Business number: 10200 8083
- 4) Is the Entity submitting a joint report: No
- 5) Does the Entity have reporting obligations in other jurisdictions: No
- 6) Entity categorization under the *Act*: Non-Government Entity
- 7) Sector/industry: Corrugated Paper Product Manufacturing
- 8) Location: One manufacturing location at 75 Doney Crescent, Concord, Ontario, Canada L4K 1P6

PART B ~ SUBSECTION 11(1) REQUIREMENTS

The following is a description of the steps taken to prevent and reduce the risks of forced labour and child labour in all steps of Gerrity's production of goods or of goods imported into Canada by Gerrity.

1. Gerrity has mapped its supply chain and identified all tiers of suppliers and raw material sources to better understand the geographical locations, labour practices, and potential risks associated with each supplier.
2. Gerrity has conducted a risk assessment based on the above-mentioned supply chain map. The risk assessment included factors such as whether the geographical locations was a high-risk for forced or child labour and whether the industry of the supplier was prone to forced or child labour. Supplier questionnaires were distributed for completion and used to assess risk.
3. Gerrity has paid particular attention to its use of recruitment agencies to ensure that they follow ethical practices and do not engage in or allow any type of forced or child labour in their organizations and to ensure that they are complying with all local laws and licensing requirements.
4. Gerrity is enhancing its supplier due diligence processes. This will ensure that suppliers are thoroughly vetted before Gerrity enters into a relationship with the supplier and on an ongoing basis throughout the relationship. The processes include an evaluation of the supplier's labour practices, compliance with labour laws and whether or not the supplier has demonstrated a commitment to preventing and reducing the risk of forced and child labour in its own operations and supply chain.
5. Gerrity has developed a code of conduct for its suppliers that explicitly prohibits forced labour and child labour. Gerrity has also begun to establish a process by which certain requirements are included by way of standard clauses in contracts with its suppliers, as appropriate, with consequences for non-compliance by suppliers up to and including termination of the supplier relationship.
6. Gerrity has also developed an internal policy outlining its commitment to reducing forced labour and child labour in its activities and supply chain.

PART C ~ SUBSECTION 11(3) REQUIREMENTS

1. STRUCTURE

Gerrity is an Ontario corporation that was founded by the Gerrity family in 1977. The organizational structure of Gerrity is departmentation with its President, Blaine Gerrity, overseeing the organization as a whole. The organizational mandate is to manufacture corrugated paper products for its business customers. The approximate number of employees in Canada is 350 with no employees outside of Canada. Gerrity has no partner organizations, and it is not a member of a group of entities.

2. ACTIVITIES

Gerrity manufactures corrugated paper products out of corrugated sheets. The main products are custom cartons of varying sizes and product displays. The manufacturing plant is located in Concord, Ontario.

3. SUPPLY CHAINS

Gerrity purchases the vast majority of its inputs from Canadian supplies. In cases of time or availability constraints, Gerrity resorts to its US suppliers. Gerrity has mapped its supply chain in order to assess risk.

4. POLICIES

Gerrity is committed to working with suppliers that do not engage in forced labour or child labour and who are actively making efforts to reduce the risks of forced labour and child labour in their own activities and supply chains.

Gerrity has a policy on forced labour and child labour (“Reducing the Risks of Forced and Child Labour Policy”) that illustrates internally its commitment to reducing the risks of forced labour and child labour in its activities and supply chain.

Gerrity has developed a code of conduct for its suppliers that explicitly prohibits forced labour and child labour. Gerrity is introducing a process by which this code will be signed during the onboarding process and re-signed at certain intervals to confirm a supplier's ongoing commitment.

5. DUE DILIGENCE PROCESSES

Gerrity is committed to continual improvement in these areas and has developed a due diligence process that includes:

- Reviewing its internal policies on the subject of forced labour and child labour and any other related policies on an ongoing basis
- Reviewing its supplier code of conduct on an ongoing basis
- Reviewing its supplier onboarding and any supplier auditing processes on an ongoing basis
- Improving its relationships with all suppliers in order to reinforce the commitment to reducing the risk of forced labour and child labour in less formal ways
- Mapping its supply chain at regular intervals, as appropriate
- Conducting risk assessments based on any new supply chain mapping

6. FORCED LABOUR AND CHILD LABOUR RISKS

Gerrity has reviewed its activities and supply chain to identify any parts that carry a risk that forced labour or child labour is being used either in Gerrity's own activities, or in the activities of its direct or indirect suppliers.

Gerrity has considered the ways in which its activities and supply chain could potentially cause, contribute to, or be directly or indirectly linked to actual or potential risk that forced labour or child labour is used inadvertently at Gerrity or in its supply chain. In doing so, Gerrity has attached to each supplier as numerical value in terms of its potential risks with respect to forced labour and child labour. The ranking runs from 1 – 10 with ten indicating the greatest level of risk. Gerrity intends to focus efforts going forward on those suppliers with higher ranking but will be reviewing each supplier periodically and no less than annually. At this stage, Gerrity has identified its temporary employment suppliers to be the highest ranked suppliers in terms of risk due to the nature of their industry. However, Gerrity has reviewed the supplier questionnaires received from these suppliers as well as researched their compliance efforts with respect to licensing in the province and has found no additional areas of concern.

Although the number of suppliers used by Gerrity is relatively small, Gerrity recognizes that no sectors or industries involving the production or importation of goods should be assumed to be entirely free of forced labour and child labour risks.

7. REMEDIATION MEASURES

Fortunately, Gerrity has not encountered any instances of forced labour or child labour in its supply chain. Gerrity's intention is to take swift and effective action to address any reported instances, to cooperate with law enforcement agencies to hold perpetrators accountable and to collaborate with suppliers to develop corrective action plans that address the underlying factors contributing to forced labour and child labour.

8. REMEDIATION OF LOSS OF INCOME

To date, there have been no identified instances of loss of income to vulnerable families that resulted from measures taken to eliminate the use of forced labour or child labour in Gerrity's activities or supply chain.

9. TRAINING

As part of Gerrity's employee training program, compliance related policies are reviewed along with other policies periodically, as necessary.

Internally developed aides to create and increase awareness of the risks of forced labour and child labour have been developed to educate key employees in Human Resources roles. These activities are mandatory.

10. ASSESSING EFFECTIVENESS

Our team has worked to identify key areas in which to continue to progress in relation to reducing the risks of forced labour and child labour in our activities and supply chain. These include reviewing and, where appropriate, implementing the recommendations of global organizations such as the United Nations as well as the International Labour Organization. Additionally, we endeavour to improve the robustness of our supplier relationships and, in turn, our ability to effectively review and audit each one with the understanding and driving value that reducing the risk of forced labour and child labour is everyone's responsibility.

PART D ~ 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.



Blaine Gerrity
President

Dated: May 28, 2024

I have the authority to bind Gerrity Corrugated Paper Products Ltd.