



REPORT ON FORCED AND CHILD LABOUR IN CANADIAN SUPPLY CHAINS

GREENFIELD GLOBAL INC.

REPORTING YEAR: 2023

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BACKGROUND

Greenfield Global Inc. (“GGI”) is a company incorporated federally in Canada with headquarters in Mississauga, Ontario, Canada. It has operating sites in Canada, with affiliate and subsidiary companies that have operating sites in the United States of America (the “US”) and the Republic of Ireland. In Canada (Ontario and Quebec), GGI has 4 distilleries, 1 packaging and 1 distribution site.

GGI is a leading supplier of high-purity alcohols, specialty solvents, custom blended solutions and fuel ethanol to businesses worldwide. The primary markets GGI operates in are the manufacture and wholesale of renewable fuels, beverage alcohol, life science, food, flavour, fragrance, personal care and industrial alcohols. Annually, the company fulfills over 35,000 orders in more than 50 countries through our extensive global supply chain.

GGI’s low-carbon ethanol helps industry decarbonize and meet net-zero targets, while its team of researchers and engineers continue to innovate and produce other sustainable fuels and chemicals such as green hydrogen, green methanol, sustainable aviation fuel and renewable natural gas.

The company’s mission statement is to unlock the potential of people, partnerships and nature to accelerate sustainable solutions for the health of the planet.

GGI is family owned and operated and has been awarded “Canada’s Best Managed Companies” Platinum-level designation since 2015.

As of January 31, 2024, GGI employs 476 employees at its Canadian locations and 733 globally. Its revenue is in excess of \$40 million, and thus meets the criteria to report in compliance with the Forced Labour in Canadian Supply Chains Act (the “Act”).

Additional information about our operations can be found at [greenfield.com](https://www.greenfield.com)

Enclosed is GGI’s report for the 2023 fiscal year.

POLICIES

GGI has a corporate policy, “Principles and Standards” (the “Principles”), that highlights our requirements for doing business with suppliers, with a specific section that focuses on Workforce and Workplace Practices. We emphasize that we do not condone forced or child labour and expect that our suppliers follow suit. The Principles are posted on our website here, [GG-Principles-and-Standards-ENGLISH-1.pdf \(greenfield.com\)](#) and is available to all vendors and other stakeholders.

Further, each of the operational sites in Canada follow supplier on-boarding procedures that coincide with the Principles.

DUE DILIGENCE PROCESS

First, GGI examined its own operations. GGI confirms that no forced or child labour is used at any of its company-owned facilities or operations worldwide. GGI complies with the laws in Canada, the US and Ireland as they apply to our employees. As of January 31, 2024, GGI does not employ personnel under 18 years of age, and GGI will continue to monitor to ensure that we do not employ minors. Employees are free to leave their employment with Greenfield subject only to ordinary contractual and legislated notice periods, as permitted by the laws in Canada, the US and Ireland.

As a second step, GGI mapped its supply chains and performed a risk assessment of its vendors focused on these criteria:

- Region/country of origin of the supply
- Industry
- Volume of materials purchased
- Whether the raw materials are incorporated into the finished goods that we manufacture

These criteria were selected and applied based on review of the resources provided by Public Safety Canada.¹

Raw materials were assigned a risk level of low, medium or high risk as it relates to the probability of forced or child labour being used in their production.

The contracts that GGI has with our suppliers require that they agree to operate in compliance with all applicable laws.

In addition, GGI performed due diligence by asking its suppliers to complete a questionnaire. The questions in the questionnaire mirrored the questions that GGI is required to answer as part of its compliance with the Act (alongside this report). The goal of the questionnaire was to learn about the actions that our suppliers are taking to discover and mitigate forced or child labour in their production and supply chains, and to receive reassurance that our suppliers are not aware of the use of forced or child labour in their supply chains.

In an effort to focus on potentially high-risk suppliers, we selected 39 suppliers to send questionnaires to this year. Of those suppliers that responded, none identified that they were aware of forced or child labour in their supply chain. Many of our suppliers indicated that they: monitor their own suppliers; require suppliers to have policies in place related to human rights issues, including forced or child labour; and map their supply chains. Some suppliers have started to conduct risk assessments and audit their own

¹ [Publicsafety.gc.ca](https://publicsafety.gc.ca)

[Ending-child-labour-forced-labour-and-human-trafficking-in-global-supply-chains.pdf \(oecd.org\)](#)

[Global Child Labour Trends 2008-2012](#)

[Global Estimates of Modern Slavery: Forced Labour and Forced Marriage](#)

suppliers. As for how our suppliers deal with training, some indicated that they have mandatory training processes in place ranging from annual training of employees, to reviewing their organization's code of conduct.

We recognized that 10 of the suppliers we sent questionnaires to have publicly available ESG/sustainability reports on their websites. They are also publicly traded and/or are members of the SEDEX, EcoVadis® and/or Responsible Care® programs. These additional insights give us a strong level of comfort that these suppliers are performing due diligence and controlling for forced or child labour in their own supply chains.

Through our due diligence processes, GGI discovered that the majority of our suppliers operate in the US or Canada, and they have explicitly indicated that they follow local, state/provincial and federal laws and guidelines which prohibit child or forced labour, they consider themselves low risk, and that their employees are expected to know the laws and abide by them.

The intention of GGI is to continuously monitor suppliers and gather data on their supply chain practices. If suppliers have been identified that engage in business practices that violate the Principles, or who identify forced or child labour in their supply chains, then GGI will not continue to do business with these suppliers unless and until the non-compliance is corrected to our satisfaction.

High Risk Raw Materials

Materials deemed to be high risk originate from countries and regions where forced and/or child labour practices are more prevalent or known, as cited in the sources above.

GGI does not source raw materials from anywhere in Africa, and sources very few raw materials from Asia. The products sourced from China and India include certain flavour and fragrance materials and certain strains of yeast.

One material that is pertinent to the production of ethanol is sourced from a supplier in China. This supplier indicated that it monitors its own suppliers. As part of our due diligence process, we are following up with them to get more information on their business practices. Other suppliers to GGI who source materials from China have sustainability reports readily accessible through their websites and have robust systems in place to mitigate and prevent the use of forced or child labour in their supply chains. None of the raw materials that sourced by GGI are from the Xinjiang region of China.

GGI receives sugarcane-derived ethanol from Brazil from two different suppliers.

One of our suppliers have confirmed that their code of conduct prevents hiring of children under the age of 18, and children apprentices under the age of 16. They provide annual, mandatory training to all of their employees on their code of conduct and are in the process of identifying and mitigating risks of child or forced labour in their own supply chain. They have several processes in place to assess the effectiveness of their training, including setting up a regular review or audit of the organization's policies and procedures related to forced or child labour and tracking relevant performance indicators, such as levels of employee

awareness, numbers of cases reported and solved through grievance mechanisms, and numbers of contracts with anti-forced or child labour clauses. They also regularly audit sugar cane suppliers and awareness work is carried out to mitigate them.

An additional Brazilian supplier has several activities in place to mitigate the use of child and forced labour in the supply chain. These include mapping activities, conducting internal and external risk assessments, having policies, procedures and contracts in place, auditing and monitoring of suppliers, remediation measures and mandatory training of employees.

Based on the information gathered from our suppliers who supply high risk raw materials to GGI, no supplier indicated that they use either forced or child labour in their supply chains.

Medium Risk Raw Materials

Materials deemed to be medium risk are materials that have a high dollar value or relatively large order quantities, but do not historically originate from countries that have known forced or child labour practices. Examples of medium risk materials include agricultural materials used as the feedstock for ethanol production. While those raw materials do not originate from countries or regions of known or prevalent forced or child labour practices, they are from the agricultural industry, GGI purchases a high volume of those materials, and these raw materials are incorporated into GGI's finished goods.

As an ethanol manufacturer, GGI receives the majority of its feedstock from corn grown in Ontario, Canada. GGI has contracts in place with its agricultural suppliers that require them to abide by local laws and regulations, including labour laws in Ontario, Canada.

Low Risk Raw Materials

Materials deemed low risk would be those that are not sourced from a high-risk country, are not agricultural products and do not go into the finished goods manufacturing process. Examples of such low-risk raw materials include office supplies or mechanical/manufacturing equipment.

Where applicable, GGI has contracts in place with such suppliers that require them to abide by local laws and regulations, including labour laws in Ontario, Canada.

TRAINING

GGI issues annual customized mandatory training on understanding forced or child labour in the supply chain to all its Canadian employees, plus specific employees in the United States who are involved in procuring raw materials that are eventually distributed in Canada. It is tailored to our business and was developed internally. The training explains what forced or child labour is, the regulatory obligations to report, and what is included in GGI's report to the government. Employees were required to answer quiz questions requiring an 80% or higher score to pass and be considered properly trained. Employees residing outside of Canada that work with the Canadian entity and business units are also required to complete the annual training.

In addition, all employees must sign GGI's code of conduct on commencement of employment, which, amongst other things, outlines our principles around the use of forced and child labour in our activities, including the supply chain.

The company plans to amend its training from time to time, for example by incorporating indicia of forced or child labour in the supply chain, and more deeply train employees that are embedded in the supply chain process.

REMEDATION MEASURES

GGI refers to the Principles as the expression of our standards for supplier and employee conduct. The Principles are available on our website and are shared with suppliers and, upon request, customers. They outline our current business practice as it relates to being a responsible corporate citizen, and demonstrate that we take the treatment of people in the workplace seriously. If we identify a supplier in our supply chain that is not like-minded in their business conduct or violates applicable laws, specifically as it relates to forced or human labour, we will cease doing business with them unless and until the non-compliance is corrected to our satisfaction.

REMEDATION OF LOSS OF INCOME

GGI has not identified any suppliers or vulnerable families within its supply chain, and therefore has not considered any remediation activities related to loss of income.

ASSESSING EFFECTIVENESS

GGI embeds human resources staff at all of its operating sites. It is the responsibility of those individuals, along with the site management, to ensure that employees adhere to GGI's Principles, which includes a zero-tolerance policy for forced or child labour within our own operations.

As part of this report, GGI has completed and submitted the questionnaire. As stated above, GGI prepared a similar questionnaire for its suppliers to learn about the actions that our suppliers are taking to discover and mitigate forced or child labour in their production and supply chains, and to receive reassurance that our suppliers are not aware of the use of forced or child labour in their supply chains.

The intention of GGI is to continuously monitor suppliers and gather data on their supply chain practices. If suppliers have been identified that engage in business practices that violate the Principles, or they identify forced or child labour in their supply chains, then GGI will cease doing business with them unless and until the non-compliance is corrected to our satisfaction.



BOARD 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.

Howard Field

President & CEO

Date

A handwritten signature in blue ink, appearing to read 'H. Field', written over a horizontal line.

Signature

I have the authority to bind Greenfield Global Inc.