

Report Regarding Fighting Against Forced Labour and Child Labour in Supply Chains
Imperial Dade Canada Inc.
Imperial Bag & Paper Co. LLC

This report is made jointly by Imperial Dade Canada Inc. (“IDC”) and Imperial Bag & Paper Co. LLC (“IBP” and collectively with IDC, “Imperial Dade”) in connection with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”).

The Act requires reporting on the steps an entity has taken during its previous financial year to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods in Canada or elsewhere by the entity, or of goods imported into Canada by the entity.

IDC is required to report pursuant to the Act due to its operations in Canada. IBP does not operate within Canada but exercises control over IDC, and is therefore required to report. As both IDC and IBP operate on a calendar financial year, this report was prepared for calendar year 2023.

A. Structure and Activities

A provider of customized supply chain solutions since 1935, Imperial Dade serves customers in business-to-business market segments including grocery, foodservice, hospitality, healthcare, government, sports venues, cruise lines, and industrial. Imperial Dade is a distributor of a wide variety of products and provides over 120,000 customers with product sourcing, supply chain management, and process training. Imperial Dade operates in the United States, Canada and Puerto Rico. With over 130 branch locations throughout North America and growing, Imperial Dade still fosters a family-oriented and tight-knit culture. Imperial Dade was built by joining dozens of family-owned distributors to form a preeminent supply chain organization.

IBP is a Delaware limited liability company, headquartered in New Jersey, United States. IBP and its subsidiaries carry on business operations in the United States and Puerto Rico. IBP does not operate within Canada and relies on IDC to carry out obligations under the Act in Canada. Accordingly, this report largely focusses on the activities of IDC.

IDC is a corporation existing under the *Canada Business Corporations Act*, headquartered in Toronto, Ontario. As a leading independent distributor in Canada, IDC boasts an impressive footprint with 27 locations across Canada, over 2,000,000 square feet of warehouse space, and a fleet of more than 150 vehicles. IDC offers an extensive range of over 50,000 products, underscoring its commitment to providing comprehensive solutions to its diverse clientele.

B. Supply Chain, Supplier Code of Conduct and Due Diligence

Imperial Dade does not manufacture any products that it distributes. With respect to Canada, products distributed by IDC may be sourced from suppliers from around the world. IDC recognizes that some geographies and industry sectors have, according to available sources, a higher incident of or potential for use of forced labour or child labour. While IDC maintains vigilance against the use of forced labour or child labour anywhere, its vigilance is particularly heightened in connection with certain geographies.

IDC prides itself on its vast and deep supplier relationships. IDC seeks to do business with only reputable parties, and will not tolerate non-compliance with applicable laws and core ethical standards. Non-compliance may result in the termination of business relationships.

A cornerstone of Imperial Dade's compliance model for its suppliers is the Supplier Code of Conduct. This document is available to all Imperial Dade suppliers. The Supplier Code of Conduct addresses the core principles of legal standards, ethical standards, labour practices and environmental impact. With respect to labour practices, the Supplier Code of Conduct addresses compliance requirements in connection with child labour, forced labour, unfair wages and benefits, coercion, discrimination, working conditions and freedom of association. The Supplier Code of Conduct states Imperial Dade's position prohibiting forced labour and child labour practices.

IDC is pleased to report that all legacy IDC suppliers that have supplied products to IDC after October 1, 2023 have agreed to comply with the Supplier Code of Conduct. If instances arise where the expectations set out in the Supplier Code of Conduct are not met, IDC will respond in an appropriate manner including termination of the business relationship as IDC believes that compliance is fundamental to its ability to partner.

C. Awareness Through Training

Lead by the IDC's Vice President of Segment Strategy & Inventory, IDC's product managers are responsible for the maintenance of its supplier relationships, and the selection and onboarding of new suppliers as required. IDC's product managers are an experienced team with significant and lengthy industry experience. IDC has conducted training and information sessions for all product managers so they are aware and alert to potential red flags which may indicate a supplier's use of forced labour or child labour. IDC has empowered its product managers to raise supplier issues with IDC management as they see fit, including with respect to the potential use of forced labour or child labour by IDC's suppliers. IDC intends to continue to provide training and/or information sessions to its product managers with respect to the identification and investigation of potential use of forced labour or child labour by IDC's suppliers.

D. Assessing Effectiveness

In 2023, no IDC product manager identified and raised a potential use of forced labour or child labour by IDC's suppliers.

Any inquiries regarding the Supplier Code of Conduct are directed to a specific Imperial Dade email address. No inquiries regarding a Canadian supplier's potential use of forced labour or child labour were received in 2023 through this dedicated email.

Additionally, Imperial Dade maintains a dedicated Employer and Supplier Hotline, which includes both a web-based reporting site (www.imperialdade.com/hotline) and toll-free telephone number. This Hotline is managed by an independent third party. Designated Imperial Dade management employees are promptly alerted to any report received through the Hotline, and will investigate same. No reports regarding a Canadian supplier's potential use of forced labour or child labour were received in 2023 through the Hotline.

Since Imperial Dade has not become aware of any instances of forced labour or child labour, remediation has not been required.

E. Governance Processes

All key policies of Imperial Dade, including our Supplier Code of Conduct, are approved at a board level or by senior management. Responsibility is delegated to the heads of business functions or departments, including Finance, IT, HR, Operations, Sourcing and Legal, who have responsibility to enforce compliance within their respective departments and functional areas.

Management is aware of the importance of eliminating the use of forced labour and child labour in supply chain activities and will remain involved in driving efforts in this regard.

F. Conclusion

Imperial Dade is committed to furthering the lives of its employees, customers and the communities in which it operates. Imperial Dade will continue to review its policies, procedures and practices for potential improvements.

This Report is approved by the respective boards of directors of IDC and IBP.

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 entities listed above. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year set out above.

IMPERIAL DADE CANADA INC.

IMPERIAL BAG & PAPER CO. LLC

By: Paul M Cervino

By: Paul M Cervino

Name: Paul Cervino
Title: Senior Vice President
Date: May 30, 2024

Name: Paul Cervino
Title: Chief Administrative Officer and Secretary
Date: May 30, 2024

I have authority to bind the company.

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