

# Modern Slavery and Human Trafficking Report 2023

International Paper Company (“IP”) and its subsidiaries are committed to doing business with integrity, treating all people with dignity and respect, supporting our communities and honoring the laws that govern our operations. We value all third-party providers whose goods and services enable us to make products people depend on every day, and we hold our providers to the same ethical standards to which we hold ourselves. IP, headquartered in Memphis, Tennessee, employs more than 39,000 colleagues globally. We serve customers worldwide, with manufacturing operations in North America, Latin America, North Africa and Europe.

This report is produced by International Paper Canada Pulp Holdings ULC (“IP Canada” or “we”), an entity of IP, for the financial year ending December 31, 2023. IP Canada solely owns the Grande Prairie Pulp Mill (the “Mill”). This report sets out the steps taken to prevent and reduce the risk that forced labor or child labor is used at any step of the production of goods in Canada or elsewhere, or of goods imported into Canada by IP Canada.

This report constitutes the first report prepared by the Mill pursuant to Canada’s new *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Act).

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## 1. STRUCTURE, OPERATIONS AND SUPPLY CHAIN

IP Canada’s activities are conducted through the Mill. The Mill is a member of IP’s Global Cellulose Fibers (“GCF”) business, and is located in Alberta, Canada. It employs approximately 400 Albertans at this site, where they create absorbent pulp used in tissue and towel applications. The Mill produces 380,000 tons of Northern Bleached Softwood Kraft annually that is shipped globally to 35 customers in eight countries.

As a company built on ethics and integrity, we also seek out partnerships with third parties who share our rigorous standards through our Third Party Code of Conduct.

The Mill is subject to and abides by the policies and procedures that are administered and implemented by IP, as described below.

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## 2. STEPS TAKEN TO PREVENT AND REDUCE RISKS OF FORCED LABOR AND CHILD LABOR

The Mill is committed to protecting and upholding the human rights of our employees and any others with whom we are in contact. Our unwavering commitment to human rights is embodied in our Code of Conduct, our Third Party Code of Conduct (supplier code of conduct) and our corporate policies. Within the Mill's own activities, no individuals who are under eighteen (18) years of age are considered for hire at the Mill, or any International Paper locations. Candidates for employment must state that they are at least 18 years of age or older to be considered for a position, and age may be verified in our verification for employment in Canada as well as through the background check process which all individuals are subject to after a conditional offer of employment is made.

### Promoting Human Rights

We believe the Mill promotes respect for overall human rights through the examples of our actions and our values. As global citizens, we ensure our products, no matter where they are made, are manufactured under conditions that demonstrate respect for the people who make them. We are committed to working against human rights abuses. We also comply with applicable labor and employment laws of every country in which we operate. Additionally, we draw on internationally recognized labor principles, like those contained in the United Nations Declaration of Human Rights, in how we treat our employees and conduct our business in supply chain. Therefore, we do not tolerate child labor, forced labor, physical punishment or abuse, harassment, discrimination, or retaliation in our workplace. We expect the same for our third parties, which includes our suppliers. We believe that supporting human rights means providing a respectful work environment in which all individuals are treated with dignity and respect and value diversity of thought, culture and background. We prohibit discrimination and harassment on the basis of any characteristic protected by law.

### Reporting Platform

As part of our firm commitment to these values, we provide a process for our employees and the public to raise concerns about potential violations. This platform is our HelpLine. We train our employees about the HelpLine process and publicly provide numerous avenues for contacting our Ethics and Compliance office. Employees may submit a HelpLine report anonymously, and retaliation prevention measures are implemented.

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### **3. POLICIES, PROCEDURES AND DUE DILIGENCE RELATED TO FORCED LABOR AND CHILD LABOR**

#### **Code of Conduct**

As an Enterprise, IP has a Code of Conduct that serves as a compass for the conduct of all our entities and helps us successfully navigate ethical challenges as they arise. As we pursue our vision to be among the most successful, sustainable and responsible companies in the world, the Code gives us direction on acting honestly and operating with integrity. As set out in the Code of Conduct, we expect all employees to comply with all applicable laws that recognize and respect human rights, including those that condemn forced labor, indentured labor, bonded labor and prohibited child labor, and we set forth guidance to eradicate them. Our Code provides necessary guidance and due diligence to meet our goals to eradicate potential violations. It also supplies us with the tools we need to foster dignity and respect and promote a culture of openness and accountability wherever we do business to protect against forced labor and child labor.

#### **Third Party Code of Conduct**

IP's Third Party Code of Conduct outlines our expectations for the workplace standards and business practices of our suppliers, contractors, consultants, agents, representatives, brokers, distributors, intermediaries and other third parties who provide us with goods and services, along with their parent entities, subsidiaries, subcontractors and supply chains (together, "third parties"). These principles decide whether we form or extend business relationships. We require our suppliers to agree to our Third Party Code of Conduct. If a third party has its own code of conduct with these human rights principles that address forced labor, indentured labor, bonded labor and prohibited child labor, we may accept its commitment to comply with its own code and consider it in compliance with ours. These expectations do not replace representations and warranties found in contracts with third parties which may be stricter than the Third Party Code of Conduct.

Our employees who interact with suppliers and our supply chain should follow established procedures for making our expectations clear to them, monitoring them and reporting any noncompliance with the principles of our Third Party Code of Conduct.

#### **Policies**

Our policies, guidelines and best-practice processes support the messaging in the Code of Conduct by reinforcing our values and standards, including our commitment to act fairly and honestly in all our business dealings, safeguard natural resources and protect and advance human rights around the world. IP compliance policies are reviewed annually for updates based on changing laws to prevent or mitigate adverse impacts.

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#### 4. ASSESSING AND MANAGING RISKS

Our company uses a risk-based approach to assess, manage and measure enterprise risks related to ethics and compliance issues, including forced labor, child labor and other human rights violations. IP aims to manage the risks arising from our third party relationships in our supply chain, government engagements and products produced, along with the countries and geographic areas where we conduct business.

Our ethics and compliance risks and culture are measured by conducting a global compliance risk assessment survey among employees throughout IP. In 2023, the survey reviewed their familiarity and awareness of the Code of Conduct, including our human rights policy, awareness of our **Speak Up!** policy that strictly prohibits retaliation, along with perception about whether our ethical culture is supported and promoted by management and whether business is conducted in line with IP's core ethical values.

Identifying risk indicators in various supply chain areas, conducting risk assessment surveys and conducting enterprise risk assessments enable IP to regularly remediate gaps where improvements are needed.

#### 5. MEASURES TAKEN TO REMEDIATE FORCED LABOR AND CHILD LABOR

The Mill has not identified any specific instances of forced labor or child labor to remediate. Our HelpLine reporting tool, Code of Conduct, **Speak Up!** policy, and Third Party Code of Conduct all provide measures to prevent human rights violations in supply chain and across the enterprise.

#### 6. MEASURES TAKEN TO REMEDIATE LOSS OF INCOME TO MOST VULNERABLE FAMILIES THAT RESULT FROM MEASURES TAKEN TO ELIMINATE USE OF FORCED LABOR AND CHILD LABOR

The Mill asserts that vulnerable families have not experienced any loss of income as a result of steps taken to address forced labor or child labor. Therefore, it has not taken any measures to remediate this issue.

#### 7. TRAINING PROVIDED TO EMPLOYEES ON FORCED LABOR AND CHILD LABOR

IP ethics and compliance training is mandatory for full-time, salaried employees. Job-specific trainings are also implemented to address respective business risks. Ethics and compliance trainings are tailored to the needs of particular regions. We provide training on the IP Code of Conduct and compliance policies - including forced labor, child labor and human rights - with refresher training conducted periodically. Our training process includes:

- Education of employees through periodic internal messaging
- Training conducted on our internal learning management system
- In-person trainings conducted by members of the legal department, the ethics and compliance office and occasionally outside legal counsel

Tailored trainings targeting employees who might encounter victims directly will be inserted into the program.

## 8. ASSESSING EFFECTIVENESS OF PREVENTION MEASURES

Assessing the effectiveness of our actions is a key element to mitigate the risk of forced labor, child labor, modern slavery and human trafficking. We participate in customer-driven data requests and facility audits related to human rights, forced labor, child labor, ethics and related topics. We are a Sedex member and committed to being a responsible and sustainable business. Sedex tools and services help our company improve our responsible business practices. In 2023, IP manufacturing facilities updated their Sedex Self-Assessment Questionnaire responses, and we completed on-site Sedex Member Ethical Trade Audits at some of our manufacturing facilities.

## 9. OUR COMMITMENT

We promote human rights through our actions and values, as noted in the following:

- **Human Rights Statement** – reflecting our commitment to protect and advance human rights globally. We respect international principles of human rights, including those expressed in the United Nations Declaration of Human Rights.
- **Human Rights Policy** – applying to all employees, our officers and our board of directors. It provides guidance on the importance of respecting human rights, as well as of being aware of the company's impact on human rights in its operations across the world.
- **Third Party Code of Conduct** – outlining our expectations of suppliers and their employment practices, including the expectation to employ workers who have a legal right to work.

Our statement, policy and code ensure that, as a company, we:

- Do not tolerate child labor, slave labor, physical punishment or abuse
- Are alert to signs of human trafficking or slave labor
- Do not tolerate deceitful or violent behavior
- Comply with the employment laws of every country where we operate
- Recognize lawful employee rights of free association and collective bargaining
- Comply with applicable laws requiring a declaration on human trafficking and slavery
- Seek to do business with suppliers who share our standards to reduce the potential for human rights abuses in our supply chain
- Support workers being free to terminate employment at any time upon reasonable notice

## 10. ATTESTATION

This report has been approved by the board of directors of International Paper Canada Pulp Holdings ULC pursuant to paragraph 11(4)(a) 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.

Full name: brian wamble

Title: Vice President, General Counsel and Secretary

Date: 05/31/2024

Signature: *Brian Wamble*

*I have the authority to bind International Paper Canada Pulp Holdings ULC.*