



## Canada Forced Labour and Child Labour Report

### Introduction

This report is made on behalf of the Kemin Industries family of companies (hereinafter referred to collectively as “Kemin”).

The Canada *Fighting Against Forced Labour and Child Labour in Supply Chains Act* requires certain companies that conduct business in Canada to publish a report each year regarding the steps the company has taken to prevent and reduce the risks of forced labour and child labour. This report will highlight the actions Kemin has taken in the 2023 year to reduce the risk of forced labour and child labour within our own operations and supply chain.

This report has been prepared for the calendar year 2023.

### Our Structure, Our Business, and Our Supply Chains

Founded in 1961 by R.W. and Mary Nelson, Kemin started as a family business located in Des Moines, Iowa, USA. Today, Kemin is a global nutritional ingredients company with manufacturing facilities in 9 countries, customers in more than 120 countries, and more than 2,000 employees worldwide. Kemin strives to touch half the people of the world every day by improving the quality, safety, and efficacy of food, feed, and health-related products. However, Kemin recognizes that we cannot achieve this mission of improving quality of life if we only do so through use of slavery or human trafficking. Therefore, Kemin is committed to ensuring our supply chain reflects our values and our respect for human rights. Kemin is adamantly opposed to all forms of slavery and human trafficking. To that end, it is Kemin’s policy to expect that suppliers will obey all laws that require them to treat workers fairly as well as to provide a safe and healthy work environment, and Kemin issues guidelines for suppliers to follow to help ensure our supplier relationships will not damage our good reputation.

### Our Policies and Due Diligence:

#### Contractual Requirements and Code of Conduct

Kemin includes a clause in our purchase order terms and conditions and supply agreements which stipulates that our suppliers must abide by our anti-slavery and human trafficking standards. Thus, as a condition of doing business with us, and as a means of self-certification, the clause reads: “California Transparency Act: Seller represents that it complies with all laws regarding slavery and human trafficking in all countries in which it does business, in compliance with the California Transparency in Supply Chains Act of 2010”.

Kemin also maintains a Supplier Code of Conduct which stipulates that our suppliers must:

- Provide safe and healthy working conditions at all their operations.
- Not engage in, condone, or tolerate physical, verbal, mental or sexual harassment against or among their workers.
- Never use or tolerate the use of human trafficking, forced labour, or child labour as defined by the International Labour Organization (ILO).
- Foster an inclusive work environment that is free of harassment and discrimination.



- Respect employees' rights to organize and bargain collectively.
- Meet or exceed all legal requirements for compensation and working conditions.

Kemin's Supplier Code of Conduct and General Purchasing Conditions are available on our website. <https://www.kemin.com/na/en-us/company/terms/suppliers>

In furtherance of the policy above, Kemin uses its purchasing documents to require its suppliers to comply with all relevant law including a requirement that Kemin suppliers do not utilize forced, prison, or indentured labour, or subject workers to any form of compulsion or coercion. Kemin's suppliers are to expect the same standards of compliance from their suppliers as well.

### **Internal Accountability**

Kemin maintains internal accountability through our Code of Conduct which states our compliance with existing employment regulations regarding forced labour, including but not limited to, treating workers fairly, providing safe and healthy work environments, and requires all contractors and suppliers to similarly meet these conditions.

In addition to the policies above, Kemin uses third party audit systems covering labour to verify compliance of the Kemin and value chain labour expectations.

### **Reporting Concerns**

Kemin also maintains an ethics hotline that is available to all employees and suppliers. This hotline is anonymous and hosted by a third-party hotline provider, EthicsPoint. This hotline can be used to submit reports relating to violations stated in our Code of Conduct, and any ethical violations or concerns a sender may have seen or heard.

### **Our Due Diligence Process**

Kemin uses our own staff to verify supplier compliance in obeying all relevant laws, rules, and regulations. Kemin ensures compliance by conducting onsite audits, desk audits, completing supplier questionnaires, and obtaining a supplier's continued guarantee of compliance. In addition, Kemin's purchasing, and quality control staff is alerted to recognizing environmental, health, safety, and labour issues that could cause inconsistent adherence to these Kemin requirements. Finally, Kemin maintains internal accountability standards and procedures, detailed in our Code of Conduct, and any suppliers that fail to comply with these requirements are terminated.

Kemin expects all contractors, suppliers, consultants, and business partners of any kind to uphold and comply with our high standards, specifically by ensuring all employees and workers are treated with dignity and respect in a fair and ethical environment. Through the processes outlined above, we work to identify, assess, and monitor any potential areas of risk in relation to our business and supply chains. Kemin will continuously look to manage any risks that may be identified.

### **Managing Risk & Remediation**

Based on the risk of human rights violations in countries and goods, Kemin has recognized some areas of business that have a historically documented presence of forced labour and child labour. We strive to



address these risks when we start working with a supplier and during the whole period of our relationship with them, as explained in the previous section.

Our approach to identifying these risks involves screening goods against different government databases that are focused on identifying goods produced with forced labour and child labour. In addition to detecting suppliers or goods that involve forced labour or child labour, Kemin also strives to have close cooperation with our suppliers, which allows us to help find and resolve problems at an early stage in our supplier onboarding process.

### **Training of Our Workforce**

Kemin is developing an online course, which will be offered through our online learning portal, to help employees better understand responsible supply chain practices and what Kemin is doing to identify, prevent and mitigate human trafficking, forced labour and child labour risks within our supply chain. All supply chain management staff will be required to complete this course. This disclosure statement will be updated as soon as the training course is implemented.

### **Effectiveness of Our Policies and Risk Management**

Kemin ensures the effectiveness of our policies and management by conducting onsite audits, desk audits, completing supplier questionnaires, and obtaining a supplier's continued guarantee of compliance. Kemin also maintains internal effectiveness metrics based on the outcomes of internal or third-party reviews or audits.

This statement is made pursuant to Senate of Canada 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* and constitutes the statement for the Kemin group of companies for the financial year ending December 31, 2023. This statement has also been approved by the Kemin Board of Directors. Kemin feels very strongly in our past steps taken, and continued dedication to preventing forced labour and child labour in our business and supply chains.

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