

Forced Labor and Child Labor Report 2023

1. Introduction

This report, prepared by Newly Weds Foods, LLC (“Newly Weds” or “NWF” or the “Company”) for the financial year ending December 31, 2023 (the “Reporting Period”), outlines the measures taken to reduce the risk of forced labor or child labor within our production processes, both in Canada and globally for goods imported into Canada by the Company.

This report is the first report produced by the Company pursuant to Canada’s new *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “Act”). Newly Weds Foods, LLC is a reporting entity under California’s *Transparency in Supply Chains Act of 2010*.

2. Reporting context

This report is a jointly submitted by Newly Weds Foods, LLC, on behalf of itself and the following two Newly Weds subsidiaries—Newly Weds Foods, Co. and Mullins Food Products—that operate within Canada or import goods into Canada. The terms “Newly Weds Foods”, “NWF”, “Newly Weds”, “we”, “our”, and the “Company” refer to Newly Weds Foods, LLC and extend to all the entities mentioned herein, unless otherwise expressly stated.

3. Structure, activities, and supply chains

Newly Weds Foods, LLC is a company registered in the United States of America and serves as the parent company of the entities detailed in this report. Headquartered in Chicago, Illinois, Newly Weds supplies breadcrumb coatings, batters, seasonings, sauces, and functional ingredients to poultry, seafood, meat, small goods, and pasta processors.

Newly Weds employs approximately 3,000 individuals in the United States with approximately 260 employees based in Canada as of the date of this report. The Company has 14 manufacturing facilities across the United States, as well as three facilities in Alberta, Quebec, and Ontario.

The supply chain team at Newly Weds Foods plays a critical role in supporting our operations across, Canada, the United States, Europe, and Asia-Pacific regions by strategically sourcing products both locally and globally to meet our operational needs while maintaining standards for the quality and safety of raw ingredients. Ingredients are traded from local and international traders and manufacturers and are sourced primarily from the United States and Canada.

4. Policies and due diligence processes

Newly Weds Foods has various policies and due diligence processes in place that embed responsible business conduct and human rights considerations and set out certain values and standards for our employees and suppliers.

4.1. Verification of product supply chains

NWF prioritizes partnering with reputable suppliers who operate their businesses in a responsible and legal manner as well as uphold exemplary ethical practices. NWF's Quality Assurance (QA) and Purchasing Departments review and monitor all direct suppliers through an ongoing supplier approval process. This process requires evaluation of the suppliers' manufacturing facilities, sourcing practices, and other business operations to verify that legal risks in the supply chain are addressed.

This verification is conducted internally by NWF, with incorporation of third-party audits. NWF negotiates a Supplier Qualification Agreement with all direct suppliers, incorporating acceptable of NWF's Supplier Expectations Manual. These documents collectively outline the legal terms of the supply relationship and stipulate, *inter alia*, that suppliers:

- Manufacture their products in accordance with all applicable local, federal, state, and provincial laws concerning human trafficking and slavery;
- Implement plans to identify risks of human rights violations including human trafficking and slavery within their supply chain;
- Promptly notify NWF if they suspect or become aware of human rights violations, including human trafficking and slavery in their supply chain; and
- Comply with all applicable fair labor standards, including minimum wage and age laws.

4.2. Internal accountability standards

NWF strives to create an optimal working environment for all its employees. In doing so, NWF is cognizant of employee concerns and applicable human rights, labor, and employment regulations. NWF's Human Resources Department conducts audits of all NWF facilities to monitor compliance with company policies and applicable laws and regulations. Additionally, as part of the Company's commitment to fostering open communication and transparency, the Company has an open-door policy in place designed to encourage dialogue between employees and management. Any employee can request formal meetings or approach managerial personnel to discuss concerns, suggestions, or work-related issues, including Responsible Business Conduct (RBC) issues.

Further, our code of conduct lays out the Company's commitment to upholding exemplary standards of ethics and integrity across all business activities. It details the standards of behavior expected from all employees in both their internal affairs related to the Company as well as external interactions with customers, suppliers, competitors, and the communities we operate. Upon joining NWF, all new employees receive a copy of the Code along with a certification they are required to review and sign annually, affirming their understanding of the standards set forth therein.

4.3. Reporting policy and anti-retaliation policy

NWF offers multiple channels for employees or suppliers to report any experienced or witnessed actual or potential grievances, including concerns regarding forced or child labor, labor practices, or corruption:

- Employees or suppliers can report to colleagues, including supervisors, managers, department heads, or the local and corporate Human Resources departments; or
- Employees or suppliers can use the Company's confidential whistleblower hotline or the Company's confidential Ethics email to report concerns. These channels are available 24/7 from anywhere in the world and allow individuals to report concerns anonymously.

Individuals who report concerns through any of our designated channels can do so without fear of reprisal in accordance with our policy against retaliation.

4.4. Recruitment process

Our Human Resources Department understands their responsibility to prevent forced and child labor in the process of recruiting new employees. During the hiring process, all potential candidates are required to complete a background check, which in part involves verifying all potential employees by checking their identification.

Candidates who are offered employment at NWF are given employment offer letters containing reasonable and consistent terms and conditions, including but not limited to job duties and responsibilities, compensation details, work hours and schedule, vacation and leave entitlements, employment status, probationary period, and rights under applicable law. The letters also include employee statements confirming that job acceptance was voluntary.

We also carefully select reputable external recruitment agencies that uphold similar ethical commitments and fully adhere to all relevant labor laws. NWF also ensures the recruitment agencies we partner with follow clear screening procedures prior to placing any candidates within the Company, including the verification of the candidate's identity, age, and work.

4.5. Working hours, overtime, and rest periods

We stay informed about local employment standards including regulations related to maximum working hours, rest periods, and overtime compensation. We provide our employees work schedules that clearly define standard working hours and any expected overtime. NWF provides advance notice of schedules and changes to allow employees to plan their time effectively. NWF tracks and monitors employees' working hours through timekeeping tools.

We have also developed and communicated clear policies regarding working hours, overtime, and rest periods. For instance, in NWF Co's Ontario facility, the Ministry of Labour Information Sheet on Hours of Work and Overtime Pay is provided to all newly hired employees as guidance on understanding some of the rights and obligations established under the Employment Standards Act, 2000 (ESA). In addition, such employees are provided an agreement to work excess hours which details the company's operations schedule by department and ESA regulations on working hours, rest periods, and overtime. NWF Co's Ontario location also has a right to disconnect policy in place, underscoring its commitment to safeguarding the physical and psychological health and well-being of its employees.

4.6.Upcoming actions

NWF has drafted and reviewed policies that underscore its commitment to preventing forced and child labor within its operations and supply chain. We intend to implement such policies in the upcoming financial year.

Our child labor and modern slavery policies outline our zero-tolerance approach to child and forced labor in our operations and supply chain. The policies emphasize NWF's commitment to complying with all applicable laws and regulations related to labor rights. We adopt internationally recognized definitions and standards, including the Ethical Trading Initiative's (ETI) definition of child labor as guidance in identifying these issues. NWF expects its suppliers to uphold the same standards and to extend similar requirements to their own suppliers. All individuals associated with Newly Weds, including employees, contractors, and suppliers, share the responsibility of preventing, detecting, and reporting instances of child or modern slavery.

In furtherance of Newly Weds' commitment to upholding human rights across its operations, our human rights policy emphasizes our dedication to respecting the rights of individuals within its workforce, communities, and supply chain. The policy outlines our adherence to the Ethical Trading Initiative (ETI) base code, ensuring freedom of employment choice, respect for freedom of association, safe and hygienic working conditions, prohibition of child labor, fair wages, reasonable working hours, and non-discrimination. In addition, a key element of the policy includes our commitment to Equal Employment Opportunity (EEO) and non-discrimination through the promotion of a safe and respectful workplace, advocating for equitable treatment, diversity, and inclusion.

5. Forced labor and child labor risks

Given NWF Co.'s workforce is employed or contracted in Canada, NWF U.S.'s workforce is employed or contracted in the United States, and all NWF employees are employed or contracted directly by NWF, not through subcontractors, there is a low risk of forced labor or child labor in our direct operations.

Because our labor resources and the majority of our vendors are located within Canada and the United States, and we adhere to the legal, regulatory, and market practice frameworks in place in both countries, there is a low risk of forced labor and child labor. As per the [U.S. Government 2022 List of Goods Produced by Child Labor or Forced Labor](#), and considering the global sourcing of raw materials, we acknowledge the risks in our extended supply chain and recognize the importance of risk mitigation throughout the procurement process. The key risks are ingredient products from Thailand, China and India. The supplier requirements we adopt in our Supplier Expectation Manual are the foundation of our measurable supplier performance program that is currently in place. Supplier acceptability is ultimately determined based on the assessment of the documentation provided and response to any concerns or gaps identified. By doing this, we ensure our suppliers are operating in line with the responsible business conduct of our businesses.

NWF also identifies forced and child labor risks by:

- Engaging regularly across our businesses to share information on critical human rights issues, particularly where risks are severe and systemic and may require enhanced due diligence; and
- Monitoring media and news information to detect global events that could potentially have an impact on our supply chain.

6. Remediation measures

Our various company policies and supplier expectations manual offer a reporting mechanism for our employees and suppliers to report ethical or legal violations, among other concerns. If a situation of non-compliance is identified, NWF will work to develop and implement a corrective plan to improve and remedy the situation. Since NWF's processes and tools did not yield any evidence of forced labor, child labor, or loss of income to vulnerable families due to measures we have taken to eliminate forced or child labor risks, we did not implement any remediation measures in the 2023 fiscal year.

7. Training

NWF employees involved with supply chain management, particularly those Quality Assurance (QA) and Purchasing Department personnel involved with supplier audits, receive training in awareness, identification, and prevention of human trafficking risks, slavery risks, and other aspects of supplier social responsibility and legal compliance. This training involves internal instruction from experienced personnel, evaluation of regional and product-based risk trends in the industry, and ongoing practice in the field.

Additionally, all new employees are provided onboarding documentation on our policies. This includes but is not limited to the aforementioned policies. Our Human Resources Department reviews this documentation with new employees during the onboarding process. During the next financial period, the Company plans to add child labor, human rights, and modern slavery to our onboarding package as well.

All NWF employees are also assigned mandatory annual training on ethical topics such as workplace harassment and discrimination, race and equity, diversity and inclusion, handling employee complaints, and communication basics.

8. Assessing effectiveness

Collaboration across the industry is vital in identifying and eliminating forced labor and child labor in the global supply chain. As mentioned, a cornerstone of our supply chain function is to establish a relationship of trust and integrity with external stakeholders. Our supplier selection and onboarding process is comprehensive and includes due diligence, evaluating suppliers' reputation, legal compliance, adherence to health, safety, and environmental standards, and reference checks. We also track and monitor key supplier metrics, including performance history, discrepancies, and non-conformances. In addition, we investigate and track all internal and external reports through our various reporting channels.

While NWF believes in the efficacy of our measures to prevent and mitigate forced labor and child labor within our operations and supply chain, we will strive to continue to identify emerging risks. We intend to continue developing and implementing additional due diligence policies and processes for identifying, addressing, and prohibiting the use of forced labor and child labor in our activities and supply chain.

9. Approval and Attestation

This report was approved pursuant to subparagraph 11(4)(a) of the *Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff* by Newly Weds Foods, LLC.

In accordance with the requirements of the *Act*, and in particular subparagraph 11(4)(a) thereof, I, the undersigned, attest that I have reviewed the information contained in this 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.

I attest that I have the authority to bind Newly Weds Foods, LLC and all listed subsidiaries owned by Newly Weds Foods, LLC.



Timothy W. Whelan
Vice President and General Counsel
Date: May 14, 2024