



Company Name: Polytainers Inc.

Location: Toronto, ON Canada

Date of Report: May 14, 2024

Prepared by: Michael Ranieri

EXECUTIVE SUMMARY

This report is published pursuant to the Canadian “Fighting Against Forced Labour and Child Labour in Supply Chains Act” and outlines the efforts and actions that Polytainers Inc. (the “Company” or “Polytainers”) has taken and is continuing to take to combat forced and child labour within our business and supply chain, in compliance with the S-211 bill. The report covers activities for the financial year ending December 31, 2023, and highlights the company’s commitment to transparency, ethical sourcing practices, and responsible business conduct.

1. INTRODUCTION

We acknowledge our responsibility to combat forced and child labour and are committed to acting ethically and with integrity and transparency. As a responsible corporate citizen, we are working to put systems and controls in place to safeguard against any form of forced or child labour taking place within the business or our supply chain and ensuring the well-being of workers at every stage of production.

2. OUR BUSINESS

Polytainers Inc. is a privately held company that manufactures and sells rigid plastic packaging to the food industry. Polytainers operates two Global Food Safety Initiative (GFSI) certified manufacturing facilities located in Toronto, Ontario Canada and Lees Summit, Missouri USA as well as a tool shop located in Markham, Ontario Canada. Polytainers sells product to customers throughout North America. Polytainers employed approximately 700 employees in 2023.

3. COMPLIANCE WITH S-211

The S-211 bill mandates businesses to disclose efforts to address forced labour and child labour within their supply chains. Polytainers Inc. is fully compliant with the reporting requirements outlined in the bill and is committed to transparency and accountability in its operations.

4. OUR SUPPLY CHAIN

We procure a significant proportion of goods and services from a small number of suppliers and choose to establish strategic, long-term, and transparent relationships and to engage with all suppliers in an ethical and socially responsible way. Our supply chains include the sourcing of raw materials, packaging supplies, machinery, maintenance components, and other direct materials. Key materials inputs used in Polytainers’ production process include resin, pigments, polybags, corrugated, labels, and inks. Our direct material and indirect material suppliers are in North America, and equipment is purchased from North America and Europe.

5. POLICIES AND DUE DILIGENCE PROCESSES

Polytainers maintains a Standards of Conduct policy (POL-HR-0028) with the aim of fostering a culture that values diversity, equity & inclusion, and maximizes the potential of all team members by always encouraging ethical and moral conduct. Our Standards of Conduct covers:

1. Open and Honest Communication
2. Safety Awareness
3. Diversity, Equity & Inclusion
4. Results Orientation
5. Continuous Improvement
6. Customer Orientation

Polytainers currently has in place several policies aimed at preventing violence, harassment, and other unwelcome behaviours in the workplace. If an incident occurs, we encourage our employees to report the incident. The management team investigates and deals with all incidents and complaints in a serious, fair, and confidential manner (except where disclosure is required by law) without fear of reprisal.

We use Verified First for background checks in both Lee's Summit and Toronto. Polytainers continues to work with responsible and reputable recruitment or placement agencies to ensure that no persons under the age of 15 (or younger if prohibited by local law) are recruited and that employees are legally able to work. In addition, we are asking for a document for proof of birthdate upon commencement of employment.

Polytainers also maintains close relationships with our largest, strategic partners who share our values regarding human rights, ethics, health & safety, and the environment.

6. FORCED LABOUR AND CHILD LABOUR RISKS

We have performed an assessment of the risk of forced and child labour in our supply chains with the suppliers that represent 80% of our spend to better understand the risks associated with the country of origin and industrial risk of our procured products and the risk profile in terms of forced and child labour for supply chains. The initial risk assessment indicates that a small percentage of goods imported from tier 1 suppliers carry risk of forced labour and child labour based on the information available. We intend to further analyze forced and child labour risks in our supply chains in 2024 and beyond. See "Plans for 2024" below for additional details.

7. REMEDIATION MEASURES

Polytainers has not identified any instances of forced labor or modern slavery in our supply chain, therefore remediation is not applicable currently. We will continue to be vigilant in this regard. If potential violations are identified, Polytainers is prepared to take prompt and appropriate remediation actions, which may include.

- Engagement with suppliers to address non-compliance issues.
- Implementation of corrective action plans to rectify violations.
- Termination of business relationships with non-compliant suppliers, if necessary.

8. REMEDIATION OF LOSS OF INCOME

To our knowledge, there were no incidents of non-compliance in our operations or supply chains. Therefore, no remediation measures were necessary in 2023.

9. TRAINING

Polytainers conducts workplace safety training, workplace violence training during our onboarding process as well as during our monthly communications meetings. Polytainers is committed to a safe work environment for all employees and has zero tolerance for workplace violence.

10. ASSESSING EFFECTIVENESS

As a supplier member of Sedex, Polytainers has undergone a Self-Assessment audit based on the Sedex Members Ethical Trade Audits (SMETA) that covers a variety of topics, such as labour health and safety, environment, and business ethics. These audits are designed to help protect workers from unsafe working conditions, discrimination, low pay, and forced labor.

11. PLANS FOR 2024

In 2024, we plan to undertake the following actions to further deepen and strengthen our work to combat forced and child labour in our business and supply chains:

- Formalizing supply chain risk assessment and audit process to gain a deeper understanding of potential exposure and develop a system to evaluate compliance.
- Develop a Supplier Code of Conduct to be reviewed and acknowledged by key suppliers and make accessible on Polytainers' website for all suppliers.
- Institute training to raise awareness among employees and suppliers about the company's zero-tolerance policy toward forced and child labour. The training will be accessible to all employees and training records will be monitored.
- Implement a confidential hotline for employees to report various forms of misconduct including concerns related to workplace harassment, force and/or child labour and safety.
- Conduct a full review and update, as necessary to employment contracts and Policies & Procedures and training related to safety, diversity, harassment, and compliance with all applicable laws and regulations.

Polytainers Inc. is committed to continuous improvement in its efforts to combat forced labour and child labour. The company regularly reviews and enhances its policies, procedures and monitoring mechanisms to stay aligned with best practices and emerging standards in ethical sourcing.

12. APPROVAL AND ATTESTATION

In accordance with the requirements of the Act, and in particular section 11 thereof, I, Susan Dagleish, President & CEO, hereby 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.

A handwritten signature in black ink, appearing to read "Dagleish", written in a cursive style.

Susan Dagleish
President & CEO

I have the authority to bind Polytainers Inc.