



MODERN SLAVERY REPORT FOR 2023

1. Introduction

This Report is prepared on behalf of Wexxar Packaging Inc. and its wholly owned subsidiaries, ProMach Integrated Solutions (Canada) Inc. and NJM Packaging Inc. (collectively, the “**Reporting Entities**”).

This Report describes the actions taken by the Reporting Entities during the financial year from January 1 to December 31, 2023 (the “**Reporting Period**”) to assess, prevent, and reduce the risk that forced labour or child labour is used at any step in their operations and supply chains pursuant to the requirements of Canada’s *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”). The term “**Forced Labour**” is used to encompass both forced labour and child labour as defined in the Act.

The Reporting Entities all belong to the ProMach Group of companies (“**ProMach Group**”) and understand the importance of conducting business in a fair, ethical and responsible manner. The Reporting Entities implement a range of programs and policies instituted by the ProMach Group aimed at preventing and addressing human rights violations, including Forced Labor violations, throughout their supply chains. The Reporting Entities insist on strict adherence to supply chain and human rights regulations among their employees, suppliers, and subcontractors.

2. Corporate Structure, Activities, and Supply Chains

Wexxar Packaging, Inc. (“**Wexxar**”) is a Canadian corporation located in Richmond, British Columbia, Canada. Wexxar is a premier case packaging systems manufacturer that offers a range of products, including corrugated box sealers, tapers, packing systems, tray and bliss formers, stackers, and sealers systems. Wexxar has approximately 211 employees in Canada.

Pro Mach Integrated Solutions (Canada) Inc. (“**Zarpac**”) is a Canadian subsidiary of Wexxar, and provides complete turnkey packaging lines, packaging line engineering services, and custom packaging equipment design-build services. Zarpac is headquartered in Oakville, Ontario, Canada. Zarpac has approximately 83 employees in Canada.

NJM Packaging Inc. (“**NJM**”) is a Canadian subsidiary of Wexxar. NJM is located in Montreal, Quebec, Canada. NJM is a single-source provider of automated packaging machinery for the pharmaceutical, nutraceutical, biopharmaceutical, and personal care industries. NJM is both a manufacturer of select equipment and an integrator specialist for complete lines that require a high-level of market niche expertise. NJM employs approximately 100 employees in Canada.

The Reporting Entities source their products from a diverse range of suppliers and manufacturers across the globe. However, approximately 85% of these products are sourced from North American suppliers.



3. Policies, Governance, and Due Diligence

The Reporting Entities are committed to conducting their business in full compliance with all applicable laws and regulations of the countries in which they do business and in accordance with the highest ethical standards

To underline the importance of this commitment, the Reporting Entities, as members of the ProMach Group, have articulated their stance on legal requirements and ethical matters through adherence to various ProMach Group's policies and procedures, including the Code of Business Conduct (the "**Code**") and Anti-Corruption Compliance Policy. Moreover, aspects of ProMach Group's due diligence procedures are reflected in their standard terms and conditions, such as the Purchase Order Terms and Conditions.

The Code of Business Conduct

The Code serves as a guide setting out ProMach Group's standards and expectations with respect to ethical business dealings. The Code reiterates ProMach Group's commitment to conducting business ethically. Ethical business dealings are to be understood broadly, not just as observing the laws of the countries where the Reporting Entities operate, but also as upholding the highest standards of integrity in everything the Reporting Entities undertake. The Reporting Entities are dedicated to conducting their business relationships with the utmost professionalism, ethics, and honesty. They strive to create and maintain a safe and healthy workplace that respects individuals and is free from discrimination based on race, religion, color, creed, national origin, sex, age, disability, veteran status, or other protected factors. This applies to all aspects of employment and management, including hiring, wages, promotions, benefits, transfers, and terminations.

The Code explicitly prohibits behavior that creates an unsafe work environment, including threatening or exhibiting violent behavior toward coworkers, customers, or suppliers. Complaints of offensive or improper conduct are to be reported and investigated thoroughly.

Anti-Corruption Compliance Policy

The Reporting Entities expect their personnel and business partners not to engage in any conduct involving unethical practices. ProMach Group's Anti-Corruption Compliance Policy requires full compliance with the applicable laws and establishes a system of internal procedures and controls to ensure adherence, including the due diligence of the Reporting Entities' business partners. Specifically, personnel of the Reporting Entities shall conduct screening and periodic monitoring of all third-party entities to verify that they are qualified to market the Reporting Entities' products and services. The screening includes, but is not limited to, the following:

- Research regarding the third parties' business reputation and their qualifications within the industry, taking into account the geographic area in which the third party conducts business;



- Assessment of whether the third party has adequate policies and procedures in place;
- Determination of whether the third party has been the subject of allegations related to business integrity, ethics, or other violations of local law, or previous investigations.

Though not explicitly tied to Forced Labour, issues regarding Forced Labour may arise in the screening process. Where that occurs, appropriate action will be taken, up to and including terminating the relationship with the third party.

The Policy is applicable to all Reporting Entities' locations and is obligatory for all Reporting Entities' employees. Non-compliance with the requirements of the Policy may lead to disciplinary measures, including termination of employment. The Reporting Entities anticipate that the Policy will be adhered to by its contractors, subcontractors, joint venture partners, consultants, agents, and distributors.

Complaints of offensive or improper conduct are to be reported and investigated thoroughly.

Ethics and Compliance reporting system

The Reporting Entities value an environment where open, honest communications are the expectation, not the exception. Employees and business partners of the Reporting Entities are encouraged to voice concerns or report unethical or irregular behavior, or violations of ProMach Group's Code and Anti-Corruption Compliance Policy, or the appearance of such a violation, by filing a report. Such reports can be filed either with an immediate supervisor or, confidentially, via a designated reporting website/phone line.

Purchase Order Terms and Conditions

ProMach Group's Purchase Order Terms and Conditions, which are implemented by the Reporting Entities, mandate that sellers not only comply with all relevant federal, state, and local laws and regulations related to the production, sale, and delivery of products or services, but also provide certification of such compliance. Compliance with laws related worker, occupational and industrial health and safety laws is explicitly contemplated in ProMach Group's Purchase Order Terms and Conditions, which would naturally cover laws relating to Forced Labour.

4. Risk Assessment, Management, and Remediation Measures

The Reporting Entities are committed to addressing Forced Labour they identify in their supply chain and to using appropriate measures to remediate any adverse effects identified.

To date, the Reporting Entities have not identified any specific parts of their business and supply chains that carry significant risks of Forced Labour, and expect that risk to be low as the Reporting Entities source the majority of their supplies from companies that are based in North America.



Further, the Reporting Entities have not identified any instances of Forced Labour in their activities or supply chains, nor any instances of loss of income for the vulnerable families as a result of the steps the Reporting Entities have taken to eliminate risks of Forced Labour. For this reason, no remediation measures have been necessary within the Reporting Period.

5. Training

Within the Reporting period, the Reporting Entities have not provided training on Forced Labour issues.

6. Assessing Effectiveness

Within the Reporting Period, the Reporting Entities have not taken any specific action to assess its effectiveness in preventing and reducing risks of Forced Labour in their supply chains.

7. Approval and Attestation

This Report was approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of Wexxar Packaging Inc.

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 Reporting 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 Period listed above.

Signature

I have the authority to bind Wexxar Packaging Inc.

Signed by:

FC19DD660B1A14EE...

Andrew Moeder

Vice President, Secretary & Treasurer – Wexxar Packaging Inc.

22 May 2025