

Report on Compliance with the Canada Fighting Against Forced Labour and Child Labour in Supply Chains Act

Introduction

Since 1945, Johnsonville, LLC (“Johnsonville”) has built a reputation as a company that acts with integrity. Doing the ethical, honest and right thing is important, especially in today’s competitive environment. We acknowledge that risks of forced labour and child labour exist within global supply chains; understanding and managing these risks requires a collaborative approach with our Johnsonville Members (our term for our employees) and our supply chain partners. While the ultimate goal is to identify, manage, and mitigate 100% of risks, our duty is to strive to be better.

This report constitutes the second report prepared by Johnsonville to comply with Canada’s new Fighting Against Forced Labour and Child Labour in Supply Chains Act (the “Act”) and outlines the progress Johnsonville has made in the 2024 fiscal year to identify and reduce the risk that child labour or forced labour is used at any step of the production of our goods being imported into and sold in Canada.

Overview of Structure, Activities, and Supply Chains

Johnsonville is a privately-owned Delaware limited liability company (LLC) that manufactures and sells sausages, bratwurst, and other meat products. Johnsonville’s corporate headquarters is located in Sheboygan Falls, Wisconsin. Johnsonville employs approximately 2,100 employees across its organization, with 4 of those employees located in Canada. Johnsonville owns and operates 7 manufacturing facilities in North America, specifically in Wisconsin, Kansas, Vermont, and Illinois. Johnsonville also utilizes co-manufacturing partners to supplement production of select Johnsonville products where capacity or capability constraints exist. The products produced in our own facilities as well as those produced by our co-manufacturing partners are sold in the United States, and exported to Canada, Mexico, and over 45 other countries. Johnsonville imports products into Canada, does business in Canada, and meets the size requirements of the Act.

To produce our craveable sausage, Johnsonville partners with strategic suppliers for the purchase of livestock and animal products (meat, dairy), seasonings and other ingredients, packaging materials, third-party labour and services, and parts/supplies from across the globe. Our centralized End-to-End Supply Chain team ensures that we only partner with suppliers who meet our corporate standards for ethical production and quality products. The following categories make up 80% of our spend:

- *Livestock and Meat:* Johnsonville neither owns nor operates any farms. Instead, we partner with farmers and their supply chains to provide us with the highest quality raw materials. For a portion of our meat requirements, we purchase livestock and harvest the animals humanely. For the balance, we purchase meat from our supplier partners.

- *Supply Chain:* We partner with co-manufacturers to produce select Johnsonville products to fulfill growing demand and address specific business requirements. We also partner with transportation and warehousing partners to distribute our products throughout the United States, Canada, and Mexico as well as export to select countries.
- *Other Ingredients:* Our variety of sausages includes a number of other ingredients. Examples include but are not limited to casings, cheese, spirits, seasonings, and salt.
- *Packaging Materials:* We pack our sausage into high-quality packaging materials that ensure food safety throughout the shelf life of the product.
- *Human Resources:* The cost to pay our Members and contingent labour.

Steps to Prevent and Reduce Risks of Forced Labour and Child Labour – Living the Johnsonville Way

Johnsonville is an organization with a strong culture (the Johnsonville Way) that guides the way we do business and treat one another. An important part of the Johnsonville Way is our supporting value of integrity, which means conducting business with the highest ethical standards and expecting the same of our supply chain partners. We respect human rights and demand compliance with laws from our Members and supply chain partners.

In 2024, we took the following actions to prevent and reduce the risk of forced labour and child labour in our business and in our supply chains:

- Reviewed and updated our Supplier Code of Conduct
- Assessed specific risks of forced labour and/or child labour as they were identified
- Required select suppliers to have in place policies and processes for identifying, addressing, and prohibiting the use of forced labour and/or child labour
- Developed and implemented mandatory annual training on forced labour and/or child labour for Johnsonville employees
- Collaborated with supply chain partners on best practices for screening and engaging third party contractors
- Monitored for reports of concerns with respect to forced labour and child labour

Additional details about these efforts are below.

Policies & Due Diligence Processes

Johnsonville relies on two key elements of our due diligence process:

Supplier Audits

Onboarding of critical raw material or co-manufacturing partners include an onsite audit where Johnsonville Members interact with the co-manufacturing partners' employees on the facility floor and highlight any potential risks.

Supplier Code of Conduct

Johnsonville's Supplier Code of Conduct, which was updated in 2024, sets forth our expectations of suppliers and includes specific language prohibiting our supply chain partners from using forced

labour or child labour. The Supplier Code of Conduct is provided to all new suppliers as a part of a standard onboarding package and is also available on our website at <https://johnsonville.com/policies/supplier-code-of-conduct/>.

As significant updates are made to the Supplier Code of Conduct, Johnsonville will re-publish the revised document to our strategic supply partners.

Risk Assessment

Johnsonville's highest exposure to the risk of forced labour or child labour comes through our supply chain, and that risk is greatest with products we purchase from certain geographies or sectors in accordance with the list published by the U.S. Department of Labour.

[List of Goods Produced by Child Labor or Forced Labor | U.S. Department of Labor \(dol.gov\)](#)

To date, Johnsonville has not completed a formal risk assessment of our suppliers, but instead in 2024 focused on immediate assessment of specific risks when those risks were identified. First, as federal officials continued to identify the use of child labour in third-party sanitation companies in the United States, Johnsonville again worked with its sanitation suppliers to reiterate its anti-forced labour and child labour policies and its expectation that neither forced labour nor child labour was being used by such suppliers in Johnsonville's facilities. Johnsonville also required those suppliers to share their anti-forced labour and child labour policies with Johnsonville.

In addition, Johnsonville identified the names and services of several third-party contractors at certain of its facilities and contacted those third-party contractors to reiterate Johnsonville's expectations regarding Johnsonville's anti-forced labour and child labour policies. Johnsonville required one contractor to provide additional information on its employee screening practices and subsequently Johnsonville updated its facility access procedures for that contractor.

Johnsonville also reviewed its current practices in light of the Meat Institute's publication of Meat and Poultry Industry Best Practices on Workforce Age Verification, and consulted with one of its supply chain partners on its practices, to plan for future activities.

Monitoring

Johnsonville's current process for monitoring these risks is focused on reacting to reported concerns from our Members and supply chain partners, either in direct communication or through our Ethics & Compliance Helpline. Our Ethics & Compliance Helpline is operated by an external third-party provider and is available 24 hours per day. Reporting can be done either by phone or online. Reporting parties can choose to make an anonymous report in confidence if desired.

Remediation Measures

To date, Johnsonville has not identified any violations of its child labour or forced labour policies and therefore we have not taken any steps to implement any remediation measures.

Training and Awareness

As appropriate for their roles, Johnsonville Members receive regular training on Johnsonville's policies and on conducting business in a legal and ethical way. This includes training for new hires on Johnsonville's Code of Conduct within its Member Handbook as well as on the Johnsonville Way. In addition, Johnsonville Members are reminded that our Ethics & Compliance Helpline is available to report concerns.

In 2024, Johnsonville also developed (working with an external third party) and implemented mandatory, annual online training on identifying and reporting forced labour and child labour for Johnsonville Members in the United States and Canada. We intend to continue refining our approach to and content of our training to ensure its effectiveness.

Assessing Our Effectiveness

In 2024, Johnsonville's focus was on developing our foundational capabilities with respect to identifying, reporting, and assessing risks relating to forced labour and child labour. To date, Johnsonville has not implemented tools to assess the effectiveness of its efforts to prevent forced labour and child labour in its supply chains, though Johnsonville has regularly reviewed its policies and procedures in this regard, including its Supplier Code of Conduct, its Member Handbook and related policies, and its hiring procedures.

Report Approval & Attestation

In accordance with the requirements of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (Act), and in particular section 11 thereof, I, in the capacity of a Member of the Board of Directors, attest that I have reviewed the information contained in the report on behalf of the governing body of the entity 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 within this report.

I have the authority to bind Johnsonville, LLC.



Ralph C. Stayer

Member, Board of Directors

May 22, 2025