

2023  
**ANNUAL  
REPORT**

**TRICORBRAUN**  
Canada™

*Fighting Against  
Forced Labour  
and Child Labour  
in Supply Chains*



## APPROVAL AND ATTESTATION

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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 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 above. This report was approved by the Board of Directors of the entity listed above. As both an officer and a member of the Board of Directors of such entity, I have the authority to bind the entity.



Court Carruthers  
President and CEO  
31 May 2024

## STRUCTURE, ACTIVITIES, AND SUPPLY CHAINS

TricorBraun Inc. (TricorBraun) is a global packaging leader comprised of 2,000 team members operating from more than 100 locations across the Americas, Europe, Asia, and Australia. Serving emerging businesses to the world's most iconic brands, we are our customers' packaging partner. We leverage our unmatched global scale, customer focus, and expertise to solve our customers' packaging problems, gain more shelf space, and reduce their environmental impact.

As an operating subsidiary of our U.S. corporate parent organization, TricorBraun Canada Inc. (TricorBraun Canada) is a British Columbia corporation incorporated under the *Canada Business Corporations Act* on August 1, 2008. Headquartered in British Columbia, TricorBraun Canada also operates out of sales and warehousing facilities located in the provinces of Ontario and Quebec. All shares issued by TricorBraun Canada are owned by Canadian residents and at 1 member of the board of directors resides in Canada. As of December 31, 2023, TricorBraun Canada employed 82 team members, all residing within Canada's borders.

TricorBraun Canada sources packaging solutions across all major materials, including glass, plastic, paperboard, and flexibles. Our comprehensive scope also includes an expansive array of sustainable and e-commerce packaging options. Our range of packaging options and services sets us apart. We recently announced the intention to amalgamate TricorBraun Canada with its wholly owned subsidiary, Vessel Packaging Inc., a British Columbia corporation created via amalgamation under the *Canada Business Corporations Act* on May 1, 2020. This will further expand TricorBraun Canada's sourcing portfolio to include blank and printed aluminum cans.

TricorBraun Canada is focused on delivering global products locally to address our customers' needs. More than 92% of the sales made by TricorBraun Canada are to customers located within the Canadian border, with nearly 7% of the remaining sales made to customers in the United States. For goods sourced and imported from *non-Canadian* suppliers, TricorBraun Canada's supply chain is comprised overwhelmingly of manufacturers located in the United States. Over 72% of total direct spend in 2023 for ware distributed by TricorBraun Canada was dedicated to packaging purchased from US suppliers. Of the remaining purchases of goods imported into Canada, ware imported from China accounted for almost 20% of spend, with Egypt (3.5%), Germany (1.4%) and Mexico (1.1%) rounding out those additional countries accounting for greater than 1% of direct ware spend in 2023. Please see **POLICIES AND DUE DILIGENCE PROCESSES** below for more information regarding our assessment of risks in these countries and how we monitor developments in our global supply chain.

## POLICIES AND DUE DILIGENCE PROCESSES

At TricorBraun, we conduct business in a highly professional and ethical manner— and we expect the same from the companies that supply us. We are committed to sustainable and ethical practices because they are good for our customers, our business, and the planet. At the same time, our customers

are demanding more sustainable options and looking to us to further embed sustainability across our operations and those of our suppliers. In 2021, we implemented our Sustainable Procurement Policy to establish manageable and objective measures in terms of supplier social and environmental practices and to outline policies for supplier selection, evaluation, and collaboration.

The first step to reaching sustainable procurement is selecting the right supplier partners and ensuring alignment between our environmental, social and governance (ESG) mission and our suppliers' practices. Our supplier due diligence process includes requests for specific information on their environmental, social, and governance practices and an evaluation of the responses. We ensure our suppliers' alignment with our socio-environmental expectations through the TricorBraun [Supplier Code of Conduct](#) and by integrating ESG clauses into our supplier contracts.

Every partner within our supply chain is expected to sign and adhere to our Supplier Code of Conduct. Available in 6 languages, the TricorBraun Supplier Code of Conduct prohibits the use of child or forced labour and provides zero tolerance for discrimination or harassment. It also includes sections on health and safety, freedom of association, working hours and wages, and environmental, ethical, and compliance requirements. The Supplier Code of Conduct also makes clear that adherence is nonnegotiable—it preserves TricorBraun's right to terminate a relationship with any supplier that is unable to demonstrate compliance upon reasonable request and/or audit. In 2023, we had an executed Supplier Code of Conduct on file for 81% of our top suppliers.

In 2022, we revised our standard supplier agreement to incorporate additional compliance provisions reflecting the importance of anti-corruption controls and our zero tolerance for child and forced labour. Our contracts also incorporate our Supplier Code of Conduct and provide TricorBraun with a right to terminate for failure to comply.

Continuous monitoring of our suppliers' sustainability practices is essential to developing a clear overview of their progress. In 2022, we sent a Supplier Sustainability Survey to each of our top 100 suppliers. The survey requested information relating to each supplier's social programs, such as whether the supplier participates in any Corporate Social Responsibility (CSR) audits, is a member of or participates in CSR-focused organizations (such as the Ellen MacArthur Foundation), and/or is certified as a minority owned business. In 2023, we incorporated a limited number of these questions into our periodic supplier audits (described below), with a plan to rollout an updated Supplier Sustainability Survey to all top 100 suppliers in 2024.

In addition to surveying our top suppliers, we also periodically audit suppliers on the depth and maturity of their ESG programs. These audits are done onsite in tandem with our quality audits and include assessing the commitment of a supplier's senior leadership to ESG, the environmental policies and/or programs in place, and how a supplier evaluates their own supply chain for compliance with environmental, labour, and health and safety regulations. We also review the measures in place to ensure adherence to child labour and anti-discrimination laws as well as to those governing hiring practices. In addition, these audits ask about sustainability certifications and reporting (e.g., ISO 26000, B Corp, GRI or SASB reports, CDP reporting, Fairtrade USA, and other types of certifications). In 2023, we conducted 32 of these audits, representing 21% of our top suppliers.

Our supplier sustainability surveys and supplier audits provide us with key data that help us in two ways: assessing our overall supply chain risks and developing individual supplier scorecards. Our Vendor Excellence Rating system rates a supplier based on multiple areas of continuous improvement—the foundation of which is based on our ESG goals. Specific metrics relating to ESG account for 20% of a supplier’s total performance. We support our suppliers in raising their scores, as needed, to help them to continue to improve their performance. We also share best practices across the industry to continue to improve the sustainability of our supply chain.

On an annual basis, we conduct an internal Supply Chain Risk Assessment to evaluate and monitor sustainability risks associated with our top 100 suppliers. This assessment evaluates risks based on a supplier’s industry, geographic location, and the results of their Supplier Sustainability Survey and Vendor Excellence Rating. In 2022, 68% of our top 100 suppliers qualified as low to medium risk overall; in 2023, this number jumped to 83%. Of the suppliers deemed high risk, one supplier’s classification was solely due to country specific risks while the others were given at-risk scores for their failure to complete the Supplier Sustainability Survey or sign the Supplier Code of Conduct.

Our Supply Chain Risk Assessment also provides us with an opportunity to proactively identify suppliers with the potential to have negative socioenvironmental impacts and customize our ESG approach to address specific risks. For example, based on the SASB framework, purchases from suppliers in the resource transformation sector (e.g., chemicals, containers and packaging, and industrial machinery and goods) were characterized as high risk with respect to the environment. The technology and communications sector, on the other hand, is highlighted for its potential labour and employment risks. Suppliers from the resource transformation and health care sectors were also deemed likely to each have some form of governance and/or ethics risks based on external database information. Overall, none of the industries that TricorBraun purchases from are high risk based on sector alone. While helpful, the analysis did not alter our supply relationships. Our assessment of the socio-environmental risks in our supply chain incorporates data from several external databases. These include the SASB Materiality Finder<sup>1</sup>, which assesses risks based on industry, as well as other databases that help to assess risks based on the geographical location of our suppliers (e.g., The Environmental Performance Index<sup>2</sup>, the Labour Rights Index<sup>3</sup>, the Corruption Perceptions Index<sup>4</sup>, and the Global Cybersecurity Index<sup>5</sup>). Together, these data form a picture of the supply chain risks associated with our top suppliers, based on spend. Our goal is to complete a comprehensive risk assessment annually to ensure we are informed and can monitor developments worldwide in our supply chain.

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<sup>1</sup> [SASB Materiality Finder](#)

<sup>2</sup> Source: [Yale Center for Environmental Law & Policy](#)

<sup>3</sup> Source: [Wage Indicator Foundation & Centre for Labour Research](#)

<sup>4</sup> Source: [Transparency International](#)

<sup>5</sup> Source: [International Telecommunication Union](#)

## FORCED LABOUR AND CHILD LABOUR RISKS

At TricorBraun, we believe that businesses can only flourish in societies where human rights are protected and respected. Our strong view is that successful long-term relationships are built on integrity, service, and always doing the right things the right way.

In recognition of the part that all businesses must play in promoting prosperity while protecting the planet, TricorBraun has aligned our sustainability strategy with those United Nations Sustainable Development Goals (SDGs) relevant to our business. Human trafficking is particularly detrimental to progress on Goal 5 (Gender Equality) and Goal 8 (Decent Work and Economic Growth) of the SDGs – both of which are seen as high impact, high opportunity areas for TricorBraun in our sustainability journey. By creating an environment of inequality and economic instability, forced labour, modern slavery and human trafficking undermine these pursuits. Effective measures to eliminate each of these is essential to achieving the SDGs mentioned above. Through the implementation of our **Best Place for the Best People** ESG strategic pillar, we reaffirm our commitment to the belief that people are our greatest asset. Understanding and attracting high caliber team members and supporting their development and growth is a cornerstone of making sure that TricorBraun continues to be the best place for the best people in packaging. That includes ensuring that our culture and practices provide a safe and healthy workplace; that we uphold basic human rights related to forced labour and fair wages; and that we embrace the building of a diverse and inclusive workforce.

In 2022, we formally introduced our [Global Human Rights Policy](#) to enshrine our commitment to human rights and to creating communities across the globe where customers, suppliers, and team members can thrive. In addition to the general protection, promotion and assurance of human rights, the policy also covers topics around child and forced labour, freedom of association and collective bargaining, and fair wages. Our Global Human Rights Policy has been translated into every major working language across TricorBraun (English, French, German, Italian, Mandarin, Spanish, and Vietnamese) to ensure that team members understand our stance and our commitment. Across all our locations, we operate in accordance with applicable local employment and occupational health and safety laws, and our Legal and Human Resources teams engage in regular reviews of our policies relating to important labour issues to ensure compliance everywhere that our team members reside.

At TricorBraun we implement active measures to ensure that we do not employ underage labour. Regardless of applicable national legal minimum age limits, our policies prohibit the employment (including temporary employment) of any person under the age of 18 at any TricorBraun location. In addition, our Supplier Code of Conduct prohibits the use of child and/or forced labour. The Supplier Code of Conduct also requires any supplier who does business with our company to demonstrate compliance with applicable child labour laws, including those related to hiring, wages, hours worked, overtime, and working conditions.

Also, in 2022, our parent company conducted its first internal Child and Forced Labour Risk Self-Assessment across the entirety of our organization's global footprint to follow-up on our commitment to zero tolerance of forced and/or child labour within TricorBraun and our supply chain. This assessment

included reviews of supply chain risks as well as internal reviews of human resources and employment policies and practices. In addition, we evaluated the risks of child and forced labour based on TricorBraun's geographical locations, as assessed against the national labour laws of each jurisdiction in which we operate in accordance with the Labour Rights Index. Combined, this data allowed us to assess the overall risk of child and forced labour for each specific location. The 2022 assessment concluded that we have a low to medium risk of child and/or forced labour throughout our operations worldwide; with respect to any high-risk individual responses on the internal audit items, we worked to implement corrective action plans in 2023. Biennial risk assessments conducted by our ESG Program Coordinators will ensure risks are regularly evaluated and that corrective actions, if needed, take place. Assessments will be updated annually in the event that the business enters a region with a higher risk of forced and/or child labour or it becomes clear that corrective action plans are not effective.

Another cornerstone of our commitment to human rights is the TricorBraun Ethics Hub. Available in 6 languages, the Ethics Hub provides team members with a mechanism to anonymously report concerns or allegations. The Ethics Hub is available via website and local telephone numbers in each jurisdiction in which we operate and is available 24 hours a day, 365 days a year. It is intended to supplement TricorBraun's regular information and reporting channels for certain types of misconduct, including child and forced labour. In 2023, we had no incidents reported through the TricorBraun Ethics Hub. We have expanded the Ethics Hub to enable reporting beyond our team members to allow customers, suppliers, and any members of the communities with which we interact to report concerns to provide us with the greatest possible opportunity to address misconduct.

## REMEDIATION MEASURES

Based on the results of our internal Child and Forced Labour Risk Self-Assessment, Supply Chain Risk Assessment of our Top 100 Suppliers, and the absence of child and/or forced labour incidents reported to the TricorBraun Ethics Hub, TricorBraun has determined that we have a low to medium risk of child and/or forced labour throughout our operations worldwide. Although we have worked to implement corrective action plans with respect to any high-risk individual responses on the internal audit items, TricorBraun has not undertaken any remediation measures with respect to forced labour or child labour in our activities and supply chains. We continue to conduct internal assessments, monitor the effectiveness of corrective action plans, and to engage in heightened due diligence in the event that the business enters, or engages a supplier in, a region with a higher risk of forced and/or child labour.

## TRAINING

We believe that creating awareness of the warning signs of human trafficking through training leads to greater detection. That is why in 2023, TricorBraun introduced an annual virtual training course, *Global Human Trafficking Awareness*, through our e-learning platform for all team members globally –

recognizing that we all have a part to play in preventing and countering human trafficking. This training was developed by an external organization and assigned to all team members, regardless of role.

The course itself is 23 minutes in duration and focuses on training team members to both recognize the signs that could indicate human trafficking activities (including both forced and child labour) and to take appropriate action to report suspicions and concerns. The training combines traditional text, video scenarios, and knowledge checks to keep team members engaged. A score of 100% on the final knowledge check is required to pass the course. In its inaugural year, almost 60% of our global team members with access to our Learning Management System completed this training.

## ASSESSING EFFECTIVENESS

TricorBraun has measured and tracked our success in preventing and reducing the risks of forced and/or child labour in our activities and supply chains by comparing the year over year results of our internal risk assessments and trends in the number of child and/or forced labour incidents reported to the TricorBraun Ethics Hub, if any. We also evaluate the effectiveness of our *Global Human Trafficking Awareness* training by reviewing scores on the knowledge check and feedback received from team members who have taken the course. In addition, our ESG Program Coordinators continue to monitor global best practices and developments in this area to consistently evaluate the ability of our current compliance program to address these risks and to modify policies where necessary.